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Proposed revised biennial support budget for 1998-1999 for the Fund of the United Nations International Drug Control Programme

Report of the Executive Director

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Part one
Overview

I. Executive summary

1. The revised budget for the Fund of the United Nations International Drug Control Programme (UNDCP) is presented in two reports in accordance with resolution 12 (XXXVI) of the Commission on Narcotic Drugs. The present report contains the revised biennial support budget for 1998-1999. The second report contains the revised biennial programme budget for 1998-1999, presented in document E/CN.7/1999/13. Also submitted to the current session of the Commission is the outline for 2000-2001 for the Fund of UNDCP (E/CN.7/1999/11).

2. The revised biennial support budget for 1998-1999 amounts to $34,065,700 as compared with the initial biennial support budget for 1998-1999 of $34,292,200, reflecting a decrease of $226,500. The budget proposals distinguish between volume changes, which are the controllable elements in the budget estimates, and cost changes, arising from changes in costs, prices and exchange rates. The decrease of $226,500 in the revised biennial support budget for 1998-1999 includes volume increases of $3,644,800, or 10.6 per cent, and cost decreases of $3,871,300, or 11.2 per cent. The presentation of the revised budget is incremental and highlights areas of change only, with no presentation of budget and activities approved in the context of the initial budget and not affected by the revision.

3. The rationale for introducing major volume increases of $3,644,800 or 10.6 per cent in the context of a revised budget is twofold, as follows:

(a) To upgrade support for new programme activities mandated by the General Assembly at its twentieth special session on countering the world drug problem, held in June 1998;

(b) To consolidate decentralization, streamline support arrangements and foster synergies between UNDCP and the Centre for International Crime Prevention of the Office for Drug Control and Crime Prevention of the Secretariat in continuing with the organizational reform launched in 1998.

4. The twentieth special session of the General Assembly marked a new beginning. UNDCP was entrusted with additional responsibilities, in particular to assist the Commission in analysing progress and States in fulfilling drug control targets set by the Assembly. Proposals aimed at fulfilling those responsibilities are reflected in the revised biennial support budget for 1998-1999, the revised biennial programme budget for 1998-1999 and the outline for 2000-2001 for the Fund of UNDCP, as well as the regular budget of UNDCP for the biennium 2000-2001. Specifically, the revised biennial support budget for 1998-1999 presents an upgrading of the support arrangement for delivering new programme activities and increased implementation of technical cooperation. This requires the strengthening of advocacy activities and the backstopping of technical cooperation. Upgrading the support structure will affect programme delivery already during 1999, with its full impact being realized during the biennium 2000-2001. In parallel with the reorientation of UNDCP following the twentieth special session of the Assembly, it is proposed that the organizational reforms launched in 1998, which are described in the initial biennial support budget for 1998-1999, should be continued. They involve the consolidation of decentralization, including adjustments in the field offices and enhanced arrangements for accountability and executive management through strengthening the Office of the Executive Director. The consolidation of offices at headquarters and the simplification and streamlining of administrative procedures results in considerable efficienc · gains. The main changes by organizational entity include:

(a) Field offices: opening a new office in the Islamic Republic of Iran;

(b) Operations Branch: strengthening the branch in support of new technical cooperation activities;

(c) Office of the Executive Director and New York Liaison Office: strengthening offices to support accountability and executive management in a decentralized organization;

(d) External Relations Unit: strengthening the unit to respond to its enhanced role in advocacy and image building;

(e) Divisions at headquarters: merging three divisions at headquarters into two, resulting in reductions in resource requirements for management;

(f) Programme Support Service: streamlining support arrangements, resulting in considerable savings.

5. The volume increase of $3,644,800 relates to an increase of $3,274,800, or 12.9 per cent, in post requirements (increase of one D-1, four P-5, two P-4, four P-3,

five General Service/other level and two National Programme Officers; decrease of two P-2) and an increase in non-post requirements of $370,000, or 4.1 per cent. By budget line, the volume increase amounts to $666,500, or 3.6 per cent, for field level/programme support, $786,700, or 11.3 per cent, for headquarters/programme support, and $2,191,600, or 24.6 per cent, for headquarters/management and administration. A summary of the proposals is presented in table 1 by budget line and location, in table 2 by posts, and in table 3 by expenditure category.

6. The revised biennial support budget as well as the revised biennial programme budget are supported by the financial situation of the Fund of UNDCP as outlined in part two. The Fund has experienced a marked turnaround in 1998 as compared with 1997. Income increased from $52,500,000 in 1997 to $70,200,000 in 1998. This is attributed to the momentum created by the twentieth special session of the General Assembly and the initiatives launched by the Executive Director. The decline in income between 1992 and 1997 has been reversed, with actual income for 1998 exceeding even initial expectations. The positive development is the result of an increase in the number of countries contributing to the Fund and a considerable increase in cost-sharing contributions, providing for a diversification of the funding base. Issues of concern are the stagnation of general-purpose resources, as increases are attributed primarily to special-purpose contributions, and the lack of income predictability, as donors essentially prefer to make their contributions on an annual basis.

7. A summary of the revised financial situation and budget proposals, including the support and programme budgets, are presented in the resource plan shown in table 4. The revised estimates of $208,686,400 for resources available reflect an increase of $30,446,400 compared with the initial estimate of $178,240,000. The increase is attributed to an estimated increase in income of $31,816,000, in particular of special-purpose income. Programme implementation is expected to increase in 1998-1999 from the initial estimate of $110,502,000 to the revised estimate of $115,000,000, details of which are provided in document E/CN.7/1998/13 and in paragraphs 35-40 of the present document. Resources for programme support as well as management and administration are estimated to increase notably less. Programme support, including support funds provided to executing agencies, are estimated to decrease from $29,184,700 to $29,022,300, which represents a decrease in the utilization of total resources from 19.6 per cent to 18.9 per cent. The increase in resource requirements for management and administration from $8,886,500 to $9,242,700 represents no change in the resource share, which is maintained at 6.0 per cent.

8. The budget for the Fund of UNDCP is presented in accordance with the harmonized model developed by the United Nations Children's Fund (UNICEF), the United Nations Development Programme (UNDP) and the United Nations Population Fund (UNFPA). In addition to the Fund of UNDCP, the UNDCP also implements activities during the biennium 1998-1999 under the regular budget of the United Nations, as outlined in document A/52/6 (Sect. 15) and document A/52/6 (Sect. 21). For the biennium 1998-1999, international drug control is a priority programme of the medium-term plan of the United Nations. UNDCP forms part of the newly established Office for Drug Control and Crime Prevention of the Secretariat, which also includes the Centre for International Crime Prevention. A detailed illustration of the organization of UNDCP is provided in annex III, and a glossary of terminology used in the present document is contained in annex IV. The organizational chart of UNDCP, including indications of the number of posts for each organizational entity, is shown in figure A.I of annex III.

II. Draft resolution for adoption by the Commission on Narcotic Drugs

9. The following draft resolution, recommended to the Commission on Narcotic Drugs for adoption, summarizes the main issues contained in the present report.

Revised biennial support budget for 1998-1999 for the Fund of the United Nations International Drug Control Programme

The Commission on Narcotic Drugs,

Bearing in mind the administrative and financial functions entrusted to it by the General Assembly in its resolution 46/185 C, section XVI, paragraph 2, of 20 December 1991,

Having considered the report of the Executive Director of the United Nations International Drug Control Programme containing the revised biennial support budget for 1998-1999 for the Fund of the United Nations International Drug Control Programme,

Taking into consideration the report of the Advisory Committee on Administrative and Budgetary Questions relating to the proposed revised biennial support budget for 1998-1999 for the Fund,

1. *Approves* an amount of ... United States dollars for the revised 1998-1999 biennial support budget funded under the Fund of the United Nations International Drug Control Programme for the purposes indicated below:

	United States dollars
Programme support	
Field offices	...
Headquarters	...
Subtotal	...
Management and administration	...
Total budget	...

2. *Approves* an amount of ... United States dollars for the revised 1998-1999 biennial support budget funded under the Fund for programme support provided to agencies;

3. *Authorizes* the Executive Director to redeploy resources between budget lines up to a maximum of 5 per cent of the budget line to which the resources are redeployed.

Part two
Financial situation

III. Overview

10. Revised income is estimated at $148,210,000 for 1998-1999, compared with initial estimates of $116,394,000; revised expenditure is estimated at $153,265,000 for 1998-1999, compared with initial expenditure estimates of $148,573,200. Revised expenditure estimates for the biennial support budget 1998-1999 are contained in the present document and those for the biennial programme budget 1998-1999 are presented in document E/CN.7/1999/13. The fund balance is expected to decline from $60,476,400, as of 31 December 1997, to $55,421,400, as of 31 December 1999. The operational reserve is maintained at the level of $12,000,000, ensuring the financial viability and integrity of the Fund of UNDCP.

11. UNDCP distinguishes between general-purpose (unearmarked) and special-purpose (earmarked) resources. All special-purpose resources are provided to earmarked programme activities; general-purpose resources are used to fund the biennial support budget as well as programme activities. Revised estimates for general-purpose income for 1998-1999 amount to $34,210,000, compared with initial estimates of $33,037,000. For special-purpose income for 1998-1999, the revised estimates amount to $114,000,000, compared with $83,357,000 for the initial estimates. The general-purpose fund balance is estimated to decline from $31,690,700, as of 31 December 1997, to $19,746,000, as of 31 December 1999; the special-purpose fund balance is estimated to increase from $28,785,700, as of 31 December 1997, to $35,659,000, as of 31 December 1999. As of 31 December 1997, 57 per cent of the general-purpose fund balance was committed for future programme activities, and that figure is expected to increase to 60 per cent as of 31 December 1999. By definition, all earmarked resources are committed.

12. The revised income estimates for 1998-1999 mark a turnaround in the financial situation. The decline in income between 1992 and 1997 has been reversed, with actual income for 1998 exceeding initial expectations. That is attributed to the momentum created by the twentieth special session of the General Assembly and the initiatives launched by the Executive Director. On the basis of new fund-raising initiatives, it is anticipated that income will continue to increase in 1999. This positive forecast is supported by an increase in the number of countries contributing to the Fund of UNDCP, reflecting further diversification of the funding base and a considerable increase in cost-sharing arrangements. The revised income situation has made it possible to propose some increases in the revised programme budget for 1998-1999. The fund balance continues to be reduced in an orderly manner, a process which started in 1994 and is expected to be concluded in 2001, when the fund balance will level off at $17,005,000.

Table 1
Initial and revised biennial support budget: summary by budget line and location, 1998-1999
(Thousands of United States dollars)

	Regular budget	*Fund of UNDCP*							
	1998-1999	*1998-1999*		*Changes*				*1998-1999*	
				Cost		*Volume*			
Item	*Approved appropriation*	*Approved initial budget*	*Percentage of total*	*Increase/ (decrease)*	*Percentage*	*Increase/ (decrease)*	*Percentage*	*Proposed revised budget*	*Percentage of total*
By budget line									
Programme support									
Field level	--	18 443.6	53.8	(986.8)	(5.4)	666.5	3.6	18 123.3	53.2
Headquarters	--	6 962.1	20.3	(1 049.1)	(15.1)	786.7	11.3	6 699.7	19.7
Management and administration	5 931.6	8 886.5	25.9	(1 835.4)	(20.7)	2 191.6	24.6	9 242.7	27.1
Total	**5 931.6**	**34 292.2**	**100.0**	**(3 871.3)**	**(11.2)**	**3 644.8**	**10.6**	**34 065.7**	**100.0**
By location									
Field level	--	18 443.6	53.8	(986.8)	(5.4)	666.5	3.6	18 123.3	53.2
Headquarters	5 931.6	15 848.6	46.2	(2 884.5)	(18.2)	2 978.3	18.7	15 942.4	46.8
Total	**5 931.6**	**34 292.2**	**100.0**	**(3 871.3)**	**(11.2)**	**3 644.8**	**10.6**	**34 065.7**	**100.0**

Table 2

Initial and revised number of support posts: summary by budget line and location, 1998-1999

(Thousands of United States dollars)

Item	Regular budget			Fund of UNDCP																	
	1998-1999 approved			1998-1999 initial approved						Changes (increase/(decrease))						1998-1999 Proposed revision					
	Prof.	GS	Total	Prof.	NPO	GS	LL	Total	Percentage of total	Prof.	NPO	GS	LL	Total	Percentage of total	Prof.	NPO	GS	LL	Total	Percentage of total
By budget line																					
Programme support																					
Field level	--	--	--	39	21	--	74	134	65.7	2	2	--	--	4	25.0	41	23	--	74	138	62.7
Headquarters	25	17	42	17	--	14	--	31	15.2	1	--	4	--	5	31.3	18	--	18	--	36	16.4
Management and administration	18	10	28	14	--	25	--	39	19.1	6	--	1	--	7	43.8	20	--	26	--	46	20.9
Total	**43**	**27**	**70**	**70**	**21**	**39**	**74**	**204**	**100.0**	**9**	**2**	**5**	**--**	**16**	**100.0**	**79**	**23**	**44**	**74**	**220**	**100.0**
By location																					
Field level	--	--	--	39	21	--	74	134	65.7	2	2	--	--	4	25.0	41	23	--	74	138	62.7
Headquarters	43	27	70	31	--	39	--	70	34.3	7	--	5	--	12	75.0	38	--	44	--	82	37.3
Total	**43**	**27**	**70**	**70**	**21**	**39**	**74**	**204**	**100.0**	**9**	**2**	**5**	**--**	**16**	**100.0**	**79**	**23**	**44**	**74**	**220**	**100.0**

Note: General Service (GS); local level (LL); and National Programme Officer (NPO).

Table 3

Initial and revised biennial support budget: summary by expenditure category, 1998-1999

(Thousands of United States dollars)

	Regular budget	*Fund of UNDCP*							
	1998-1999	*1998-1999*		*Changes*				*1998-1999*	
				Cost		*Volume*			
Item	*Approved appropriation*	*Approved initial budget*	*Percentage of total*	*Increase/ (decrease)*	*Percentage*	*Increase/ (decrease)*	*Percentage*	*Proposed revised budget*	*Percentage of total*
Posts	4 989.9	25 362.1	74.0	(3 934.9)	(15.5)	3 274.8	12.9	24 702.0	72.5
Other staff costs	281.6	224.2	0.7	13.8	6.2	--	--	238.0	0.7
Consultants	204.5	440.1	1.3	2.6	0.6	(130.0)	(29.5)	312.7	0.9
Travel	186.9	1 456.7	4.2	18.3	1.3	300.0	20.6	1 775.0	5.2
Contractual services	--	111.8	0.3	3.0	2.7	--	-	114.8	0.3
General operating expenses	20.4	3 673.9	10.7	9.4	0.3	--	-	3 683.3	10.8
Supplies and materials	--	487.6	1.4	4.5	0.9	--	-	492.1	1.4
Furniture and equipment	49.2	846.3	2.5	12.0	1.4	200.0	23.6	1 058.3	3.1
Other expenditures	199.1	1 689.5	4.9	--	-	--	-	1 689.5	5.0
Total	**5 931.6**	**34 292.2**	**100.0**	**(3 871.3)**	**(11.2)**	**3 644.8**	**10.6**	**34 065.7**	**100.0**

Table 4

Initial and revised resource plan, 1998-1999

(Thousands of United States dollars)

Item	Regular budget 1998-1999 Approved	Fund of UNDCP 1998-1999 approved initial estimate General-purpose	Special-purpose	Total Amount	Percentage	1998-1999 proposed revised estimate General-purpose	Special-purpose	Total Amount	Percentage
I. Resources available									
Opening balance	--	29 998.0	31 848.0	61 846.0		31 690.7	28 785.7	60 476.4	
Income	14 825.5	33 037.0	83 357.0	116 394.0		34 210.0	114 000.0	148 210.0	
Total, 1	**14 825.5**	**63 035.0**	**115 205.0**	**178 240.0**		**65 900.7**	**142 785.7**	**208 686.4**	
II. Use of resources									
Programme and programme support activities									
A. Programme	8 893.9	17 433.6	93 068.4	110 502.0	74.4	18 600.0	96 400.0	115 000.0	75.1
B. Programme support									
Field level	--	13 452.9	4 990.7	18 443.6	12.4	12 847.2	5 276.1	18 123.3	11.8
Headquarters	--	5 078.2	1 883.9	6 962.1	4.7	4 749.3	1 950.4	6 699.7	4.4
Agencies	--	511.3	3 267.7	3 779.0	2.5	699.1	3 500.2	4 199.3	2.7
Total, B	**--**	**19 042.4**	**10 142.3**	**29 184.7**	**19.6**	**18 295.6**	**10 726.7**	**29 022.3**	**18.9**
C. Management and administration	5 931.6	8 886.5	--	8 886.5	6.0	9 242.7	--	9 242.7	6.0
Total, 2	**14 825.5**	**45 362.5**	**103 210.7**	**148 573.2**	**100.0**	**46 138.3**	**107 126.7**	**153 265.0**	**100.0**
III. Reconciliation									
Total, II. Use of resources	14 825.5	45 362.5	103 210.7	148 573.2		46 138.3	107 126.7	153 265.0	
Programmes[a]	(8 893.9)	(17433.6)	(93 068.4)	(110502.0)		(18 600.0)	(96 400.0)	(115 000.0)	
Agencies[a]	--	(511.3)	(3 267.7)	(3 779.0)		(699.1)	(3 500.2)	(4 199.3)	
Total, 3	**5 931.6**	**27 417.6**	**6 874.6**	**34 292.2**		**26 839.2**	**7 226.5**	**34 065.7**	

[a]Decrease.

13. Despite such a positive assessment, the Fund of UNDCP remains exposed to the risk of financial volatility and unpredictability. The increase in income is limited to special-purpose contribution. General-purpose income is stagnating, constraining the capacity to fund the biennial support budget and limiting the flexibility to respond quickly to programme opportunities. Moreover, donor contributions are made available only on an annual basis, which restricts advance planning. Finally, despite a recent widening of the donor base, the number of donors remains small, with seven countries accounting for approximately 60 per cent of total income during the period 1998-1999. An overview of the budget and financial situation is provided in the resource plan presented in table 4. The operational reserve and fund balance is shown in table 5 and the income situation is presented in table 6.

IV. Income

14. Revised income is estimated at $148,210,000 for 1998-1999, reflecting an increase of $31,816,000, or 27.3 per cent, compared with the initial estimate of $116,394,000. Actual income for the previous biennium 1996-1997 amounted to $103,295,500. As of 1 December 1998, 70 per cent of the estimated income for 1998-1999 has been received or pledged, including 98 per cent for 1998 and 48 per cent for 1999.

15. *Contributions*. Revised contributions are estimated at $118,960,000 for 1998-1999, reflecting an increase of $18,671, or 18.6 per cent, compared with the initial estimate of $100,289,000. Actual contributions for 1996-1997 amounted to $90,408,200. The considerable increase in contributions, in particular for the year 1998 as indicated below, is attributable to the momentum created by the twentieth special session of the General Assembly and the initiatives launched by the Executive Director. This provided an important impetus for Member States to join the donor group or increase their contributions. A number of new fund-raising initiatives were launched in 1998. The new initiatives include the launching of four major business plans for the period 1999 to 2003, as outlined in the revised biennial programme budget for 1998-1999 (E/CN.7/1999/13). It is anticipated that additional contributions will be forthcoming in 1999 for new programmes in the Andean countries and in west and central Asia and for the assessment of the global drug abuse problem, as well as for a system for monitoring illicit crops.

16. For 1998, revised contributions are estimated at $57,362,000, reflecting an increase of $6,724,000, or 13.2 per cent, compared with the initial estimates of $50,638,000. General-purpose contributions for 1998 amount to $13,099,000, a decrease of $419,000, or 3.3 per cent, compared with initial estimates; special-purpose contributions amount to $44,263,000, an increase of $7,143,000, or 19.2 per cent, compared with initial estimates. For 1998, the income from contributions based on 98 per cent of contributions pledged or received, with the remaining 2 per cent from firm expectations, and with contributions having been received from 51 countries and the European Union. The number of donors has increased somewhat, in particular in the medium range. Between 1993 and 1998, the number of donors contributing more than $2,000,000 annually increased from 7 to 8, whereas the number of donors contributing between $100,000 and $2,000,000 increased from 11 to 18.

17. For 1999, revised contributions are estimated at $61,598,000, reflecting an increase of $11,947,000, or 24.1 per cent, compared with the initial estimate of $49,651,000. General-purpose contributions for 1999 amount to $15,811,000, an increase of $1,770,000, or 12.6 per cent, compared with initial estimates; special-purpose contributions amount to $45,787,000, an increase of $10,177,000, or 28.5 per cent, compared with initial estimates. For 1999, a total of 48 per cent had been secured as of 1 December 1998. That percentage is in line with recent funding experience, essentially characterized by donors restricting commitments to the duration of one year. The estimate for 1999 is based on indications from a number of donors, taking into account the recent history of contributions for each donor in terms of size, regularity of payment and existing financing agreements. Many donors, however, were not in a position in late 1998, prior to the end of their own fiscal-year budgetary exercise, to provide details on their financial contributions for 1999. Added to that constraint is the diversity of sources of voluntary contributions from an individual donor country, which very often encompass funding from different ministerial departments and offices, including foreign affairs, overseas development aid, health, social welfare and ministries of the interior.

Table 5
Operational reserve and fund balance, 1998-1999
(Thousands of United States dollars)

Item	*General-purpose*	*Special-purpose*	*Total*
Operational reserve			
As of 31 December 1997	12 000.0	--	12 000.0
As of 31 December 1999	12 000.0	--	12 000.0
+/(-) Changes in operational reserve		--	--
Fund balance			
As of 31 December 1997	31 690.7	28 785.7	60 476.4
+ Income	34 210.0	114 000.0	148 210.0
- Expenditure	(46 138.3)	(107 126.7)	(153 265.0)
+/(-) Changes in operational reserve	-	-	-
As of 31 December 1999	19 762.4	35 659.0	55 421.4

Table 6
Initial and revised income, 1998-1999
(Thousands of United States dollars)

	1998-1999 initial			*1998-1999 revised*		
Item	*General-purpose*	*Special-purpose*	*Total*	*General-purpose*	*Special-purpose*	*Total*
Contributions	27 559.0	72 730.0	100 289.0	28 910.0	90 050.0	118 960.0
Cost-sharing	--	8 107.0	8 107.0	--	18 740.0	18 740.0
Public donations	--	1 300.0	1 300.0	--	2 510.0	2 510.0
Interest income	4 478.0	1 220.0	5 698.0	5 300.0	2 700.0	8 000.0
Miscellaneous income	1 000.0	--	1 000.0	--	--	--
Total	**33 037.0**	**83 357.0**	**116 394.0**	**34 210.0**	**114 000.0**	**148 210.0**

18. *Cost-sharing contributions*. Revised cost-sharing contributions are estimated at $18,740,000 for 1998-1999, reflecting an increase of $10,633,000, or 131.1 per cent, compared with the initial estimate of $8,107,000. Actual cost-sharing contributions for 1996-1997 amounted to $2,334,500. For 1998, $5,640,000 have been received or pledged, and for 1999, $4,700,000 have been pledged, with a further $8,400,000 anticipated. The considerable increase in cost-sharing contributions is the result of a new type of project arrangement in South America. In connection with the launch of major business plans for the region, UNDCP emphasizes the need for cost-sharing contributions. The Government of Brazil is expected to contribute $11,375,000. That represents the 1998 and 1999 share of a five-year contribution of $21,100,000 towards a law enforcement project that started in 1998 and the 1999 share of a five-year contribution of $29,500,000 towards a programme of prevention of drugs and acquired immunodeficiency syndrome (AIDS) starting in 1999 as a follow-up to a programme completed in 1998. Cost-sharing contributions of $5,000,000 are anticipated from the Government of Colombia, including a contribution in 1998 and 1999 for the National Alternative Development Plan (PLANTE) project and the 1999 payment towards the business plan for the period 1999-2003, estimated at a cost of $60,000,000, including total cost-sharing contributions of $30,000,000. Cost-sharing contributions of $1,125,000 are anticipated for Bolivia. That includes $800,000 from the Government of Bolivia towards the business plan for 1999-2003, estimated at a total cost of $55,000,000, including total cost-sharing contributions of $8,000,000. In addition, a contribution from the United States Agency for International Development of $1,000,000 is anticipated in 1999 as the first annual payment for a five-year alternative development project on the management, conservation and utilization of forest resources in the Cochabamba tropics in Bolivia. Finally, $240,000 have been received from the Joint United Nations Programme on HIV/AIDS (UNAIDS) for two projects in Bolivia.

19. *Public donations*. Revised public donations are estimated at $2,510,000 for 1998-1999, reflecting an increase of $1,210,000, or 93.1 per cent, compared with the initial estimate of $1,300,000. Actual public donations for 1996-1997 amounted to $1,777,000. For 1998, public donations are estimated to amount to $1,260,000. That includes private sector donations from Brazil of $678,000, resulting from the advocacy work of renowned experts from the private and public sectors, as proposed in the context of the UNDCP budget for 1998-99. Also in 1998, the Drug Abuse Prevention Centre (DAPC), a Japanese non-governmental organization, raised a contribution of $361,800 as part of their annual campaign. In addition to providing substantial financial support to UNDCP, the annual campaigns also increase public awareness in Japan of the danger of drug abuse. For 1999, $1,250,000 is anticipated from private and public sources, including $500,000 from DAPC.

20. *Interest income*. Revised interest income is estimated at $8,000,000 for 1998-1999, reflecting an increase of $2,302,000, or 40.4 per cent, compared with the initial estimate of $5,698,000. Actual interest income for 1996-1997 amounted to $8,714,600. Interest income is received from temporary surpluses and operating reserves invested by the Treasury of the United Nations, taking into account the cash-flow requirements of UNDCP. Interest income is determined by the interest rates on United-States-dollar call accounts and short-term deposits and the cash balance maintained by UNDCP. Interest derived from special-purpose contributions is identified separately for the fund balance of each contribution. In the event that donor funding arrangements stipulate that the interest should be credited to a project, the income is classified as special-purpose interest. Whenever such income is available to UNDCP without restriction, the income is shown as general-purpose interest.

21. The revised interest income of $8,000,000 for 1998-1999 includes $5,300,000 related to general-purpose funds and $2,700,000 related to special-purpose funds. Total interest earnings in 1998 are estimated at $4,200,000 from an average investment of $79,240,000 in call accounts and short-term deposits, reflecting a return of 5.3 per cent per annum. For 1999, interest income is estimated at $3,800,000 on average investments of $78,709,000 and an average return of 4.8 per cent. The 4.8 per cent for 1999 is based on the actual rates applicable for the latter part of 1998. For the initial estimates, higher rates of return were assumed, including 5.5 per cent for 1998 and 5.0 per cent for 1999. Despite the decrease in the rate of return, interest income increased as a result of higher investments. Whereas initial estimates were based on an average sum of $52,000,000, revised estimates amount to $79,000,000 resulting from considerable increases in income.

V. Programme support charges

22. Revised programme support charges are estimated at $12,984,100 for 1998-1999, reflecting an increase of $874,300, or 7.2 per cent, compared with the initial estimate of $12,109,800. Actual programme support charges for 1996-1997 amounted to $6,857,500. Programme support charges are levied on project expenditures to secure the funding for technical and administrative backstopping. As of 1 January 1997, UNDCP applies a standard rate of 13.0 per cent for programme support charges, shared, as appropriate, between UNDCP and partner agencies. For national execution, a charge of 5 per cent has been introduced. For 1998-1999, a detailed breakdown on programme support charges for agencies and UNDCP is shown in table A.1 of annex I.

23. The increase in programme support charges of $874,300 is the result of higher estimated programme expenditures for 1998-1999. Initial estimates for programme expenditure amounted to $110,502,000, and revised estimates are increased to $115,000,000. The considerable increase in programme support charges between 1996-1997 and 1998-1999 is due to lower programme expenditure in 1996-1997 of $70,100,000 and the introduction of the new programme support arrangement as of 1 January 1997. The new arrangement increases the amount retained for programme support. As shown in table A.1 of annex I, and as compared with programme expenditure, including national execution, the overall programme support rate is estimated at 11.3 per cent, with 7.6 per cent retained by UNDCP and 3.7 per cent provided to associated agencies. UNDCP programme support on activities funded from general-purpose resources amounts to $1,558,300, and is retained under general-purpose funds. Programme support earned by UNDCP on activities funded from special-purpose contributions amounts to $7,226,500, and is applied to the cost of the biennial support budget. As shown in table 4 (resource plan), of the total amount of $7,226,500, $5,276,100 is provided to fund field offices, and $1,950,400 is provided to fund support activities at headquarters.

Part three
Revised biennial support budget for 1998-1999

VI. Overview

24. The revised biennial support budget for 1998-1999 amounts to $34,065,700, reflecting a decrease of $226,500 as compared with $34,292,200 for the initial biennial support budget for 1998-1999. The decrease of $226,500 includes volume increases of $3,644,800, or 10.6 per cent, and cost decreases of $3,871,300, or 11.2 per cent. The presentation of the revised budget highlights areas of change only, with no presentation of budget and activities approved in the context of the initial budget, and unaffected by the revision as detailed in annex II, section B, of the present document.

25. A summary of the revised support budget is shown in table 7 by organizational unit and in table 8 by expenditure category. Table 9 lists the number of support posts by organizational unit. Illustrations are provided in figure I for the distribution of budget estimates by budget line, in figure II the for the number of posts, and in figure III for the category of posts.

26. Annex I contains a number of supplementary tables. Table A.2 presents the distribution of resources by regional programmes and field offices. A detailed distribution of all UNDCP posts is shown in table A.3 by organizational unit, including separate presentations for the biennial support budget, biennial programme budget, regular budget and associate experts/non-reimbursable loans. Table A.4 provides a summary of UNDCP posts, including all sources of funding. In accordance with recent practice, table A.5 provides details on the functions of all programme posts. For those positions, provisions are made under the revised biennial programme budget for 1998-1999 (E/CN.7/1999/13).

Table 7

Initial and revised biennial support budget: details by organizational unit and budget line, 1998-1999

(Thousands of United States dollars

Item	Regular budget	Fund of UNDCP							
	1998-1999	1998-1999		Changes				1998-1999	
				Cost		Volume			
	Approved appropriation	Approved initial budget	Percentage of total	Increase/ (decrease)	Per-centage	Increase/ (decrease)	Per-centage	Proposed revised budget	Per-centage of total
A. Programme support									
1. Field level									
Sub-Saharan Africa	--	3 078.3	9.0	(218.9)	(7.1)	135.4	4.4	2 994.8	8.8
North Africa and the Middle East	--	561.8	1.6	15.7	2.8	121.4	21.6	698.9	2.1
Central and eastern Europe	--	1 216.1	3.5	332.5	27.3	(387.0)	(31.8)	1 161.6	3.4
West and central Asia	--	2 626.2	7.6	(146.4)	(5.5)	257.4	9.8	2 737.2	8.0
South Asia	--	1 185.7	3.4	65.7	5.5	(30.3)	(2.6)	1 221.1	3.6
East Asia and the Pacific	--	3 486.0	10.1	70.0	2.0	27.6	0.8	3 583.6	10.5
Latin America and the Caribbean	--	6 289.5	18.3	(1 105.4)	(17.5)	542.0	8.6	5 726.1	16.8
Total, 1	--	**18 443.6**	**53.7**	**(986.8)**	**(5.3)**	**666.5**	**3.6**	**18 123.3**	**53.2**
2. Headquarters									
Director/DOA	--	661.3	1.9	182.6	27.6	(612.8)	(92.6)	231.1	0.6
Operations Branch/DOA	--	4 272.4	12.4	(797.9)	(18.6)	877.6	20.5	4 352.1	12.7
Policy Development and Analysis Branch/DOA	--	2 028.4	5.9	(433.8)	(21.3)	521.9	25.7	2 116.5	6.2
Total, 2	--	**6 962.1**	**20.3**	**(1 049.1)**	**(15.1)**	**786.7**	**11.3**	**6 699.7**	**19.6**
Total, A	--	**25 405.7**	**74.0**	**(2 035.9)**	**(8.0)**	**1 453.2**	**5.7**	**24 823.0**	**72.8**
B. Management and administration									
Office of the Executive Director and New York Liaison Office	1 049.6	608.0	1.7	(1 097.2)	(180.4)	2 507.7	412.5	2 018.5	5.9
External Relations Unit	1 148.5	990.5	2.8	(589.8)	(59.5)	744.5	75.1	1 145.2	3.3
Fund-raising Unit	353.2	1 197.8	3.4	(141.7)	(11.8)	(16.9)	(1.4)	1 039.2	3.0
Programme Support Service	469.7	5 828.4	17.0	14.6	0.2	(1 036.9)	(17.7)	4 806.1	14.1
Treaty, Legal Affairs and Commission Secretariat Branch/ DTASDCO	2 910.6	261.8	0.7	(21.3)	(8.1)	(6.8)	(2.6)	233.7	0.6
Total, B	**5 931.6**	**8 886.5**	**25.9**	**(1 835.4)**	**(20.6)**	**2 191.6**	**24.7**	**9 242.7**	**27.1**
Grand total, A and B	**5 931.6**	**34 292.2**	**100.0**	**(3 871.3)**	**(11.2)**	**3 644.8**	**10.6**	**34 065.7**	**100.0**

Note: Division for Operations and Analysis (DOA); and Division for Treaty Affairs and Support to Drug Control Organs (DTASDCO).

Table 8

Initial and revised biennial support budget: details by expenditure category and budget line, 1998-1999

(Thousands of United States dollars)

Item	Regular budget 1998-1999 Approved appropriation	Fund of UNDCP 1998-1999 Approved initial budget	Percentage of total	Changes Cost Increase/ (decrease)	Cost Percentage	Volume Increase/ (decrease)	Volume Percentage	1998-1999 Proposed revised budget	Percentage of total
A. Programme support									
1. Field level									
Posts	--	13 378.8	39.0	(967.6)	(7.2)	726.5	5.4	13 137.7	38.5
Travel	--	924.5	2.7	(0.3)	-	--	-	924.2	2.7
General operating expenses	--	3 059.4	8.9	(21.4)	(0.7)	(100.0)	(3.2)	2 938.0	8.6
Supplies and materials	--	416.3	1.2	0.5	0.1	(60.0)	(14.4)	356.8	1.0
Furniture and equipment	--	664.6	1.9	2.0	0.3	100.0	15.0	766.6	2.2
Total, 1	**--**	**18 443.6**	**53.7**	**(986.8)**	**(5.3)**	**666.5**	**3.6**	**18 123.3**	**53.2**
2. Headquarters									
Posts	--	5 919.4	17.2	(1 092.4)	(18.5)	686.7	11.6	5 513.7	16.1
Other staff costs	--	120.3	0.3	7.2	6.0	--	-	127.5	0.3
Consultants	--	137.7	0.4	0.9	0.7	--	-	138.6	0.4
Travel	--	236.5	0.6	8.3	3.5	30.0	12.6	274.8	0.8
Contractual services	--	66.6	0.1	1.7	2.6	--	-	68.3	0.2
General operating expenses	--	333.5	0.9	17.2	5.2	20.0	6.0	370.7	1.0
Supplies and materials	--	39.7	0.1	2.2	5.5	30.0	75.5	71.9	0.2
Equipment	--	108.4	0.3	5.8	5.4	20.0	18.4	134.2	0.3
Total, 2	**--**	**6 962.1**	**20.3**	**(1 049.1)**	**(15.0)**	**786.7**	**11.3**	**6 699.7**	**19.6**
Total, A	**--**	**25 405.7**	**74.0**	**(2 035.9)**	**(8.0)**	**1 453.2**	**5.7**	**24 823.0**	**72.8**
B. Management and administration									
Posts	4 989.9	6 063.9	17.6	(1 874.9)	(30.9)	1 861.6	30.7	6 050.6	17.7
Other staff costs	281.6	103.9	0.3	6.6	6.4	--	-	110.5	0.3
Consultants	204.5	302.4	0.8	1.7	0.6	(130.0)	(42.9)	174.1	0.5
Travel	186.9	295.7	0.8	10.3	3.5	270.0	91.3	576.0	1.6
Contractual services	--	45.2	0.1	1.3	2.9	--	-	46.5	0.1
General operating expenses	20.4	281.0	0.8	13.6	4.8	80.0	28.4	374.6	1.1
Supplies and materials	--	31.6	-	1.8	5.7	30.0	94.9	63.4	0.1
Equipment	49.2	73.3	0.2	4.2	5.7	80.0	109.1	157.5	0.4
Other expenditures	199.1	1 689.5	4.9	--	--	--	-	1 689.5	4.9
Total, B	**5 931.6**	**8 886.5**	**25.9**	**(1 835.4)**	**(20.6)**	**2 191.6**	**24.6**	**9 242.7**	**27.1**
Grand total, A and B	**5 931.6**	**34 292.2**	**100.0**	**(3 871.3)**	**(11.2)**	**3 644.8**	**10.6**	**34 065.7**	**100.0**

Table 9
Initial and revised budget: details by organizational unit and budget line, 1998-1999

Item	*1998-1999 Approved initial allocation*	*USG*	*D-2*	*D-1*	*P-5*	*P-4*	*P-3*	*P-2*	*Total*	*GS/PL*	*GS/OL*	*NPO*	*LL*	*Total*	*1998-1999 Proposed revision*
1998-1999 approved initial allocation		--	3	8	19	18	16	6	70	2	37	21	74	204	
A. Programme support															
1. Field level															
Sub-Saharan Africa	23	--	--	--	--	--	--	--	--	--	--	--	1	1	24
North Africa and the Middle East	4	--	--	(1)	1	--	1	--	1	--	--	--	--	1	5
Central and eastern Europe	8	--	--	1	(1)	(1)	--	--	(1)	--	--	--	(2)	(3)	5
West and central Asia	20	--	--	--	1	--	(1)	--	--	--	--	2	1	3	23
South Asia	10	--	--	--	--	--	--	--	--	--	--	--	--	--	10
East Asia and the Pacific	28	--	--	--	--	(1)	--	2	1	--	--	--	--	1	29
Latin America and the Caribbean	41	--	1	(2)	3	1	--	(2)	1	--	--	--	--	1	42
Total, 1	**134**	**--**	**1**	**(2)**	**4**	**(1)**	**--**	**--**	**2**	**--**	**--**	**2**	**--**	**4**	**138**
2. Headquarters															
Director/DOA	4	--	(1)	--	--	--	--	(1)	(2)	--	(1)	--	--	(3)	1
Operations Branch/DOA	20	--	--	--	1	1	1	--	3	--	1	--	--	4	24
Policy Development and Analysis Branch/DOA	7	--	--	--	(1)	1	--	--	--	1	3	--	--	4	11
Total, 2	**31**	**--**	**(1)**	**--**	**--**	**2**	**1**	**(1)**	**1**	**1**	**3**	**--**	**--**	**5**	**36**
Total, A	**165**	**--**	**--**	**(2)**	**4**	**1**	**1**	**(1)**	**3**	**1**	**3**	**2**	**--**	**9**	**174**
B. Management and administration															
Office of the Executive Director and New York Liaison Office	2	--	--	2	1	1	3	--	7	--	2	--	--	9	11
External Relations Unit	5	--	--	1	(1)	--	3	(1)	2	(1)	4	--	--	5	10
Fund-raising Unit	6	--	--	--	--	1	(1)	--	--	--	--	--	--	--	6
Programme Support Service	23	--	--	--	--	--	(2)	--	(2)	--	(4)	--	--	(6)	17
Director/DTASDCO	1	--	--	--	--	(1)	--	--	(1)	--	--	--	--	(1)	--
Treaty, Legal Affairs and Commission Secretariat Branch/DTASDCO	2	--	--	--	--	--	--	--	--	--	--	--	--	--	2
Total, B	**39**	**--**	**--**	**3**	**--**	**1**	**3**	**(1)**	**6**	**(1)**	**2**	**--**	**--**	**7**	**46**
Total, A and B	**204**	**--**	**--**	**1**	**4**	**2**	**4**	**(2)**	**9**	**--**	**5**	**2**	**--**	**16**	**220**
1998-1999 proposed revision		--	3	9	23	20	20	4	79	2	42	23	74	220	

Note: Under-Secretary-General (USG); principal level (PL); other level (OL); and local level (LL).

Figure I
Budget estimates by budget line, 1998-1999

Figure II
Posts by budget line, 1998-1999

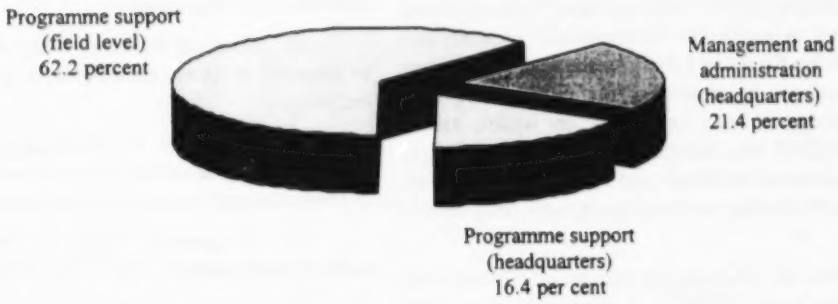
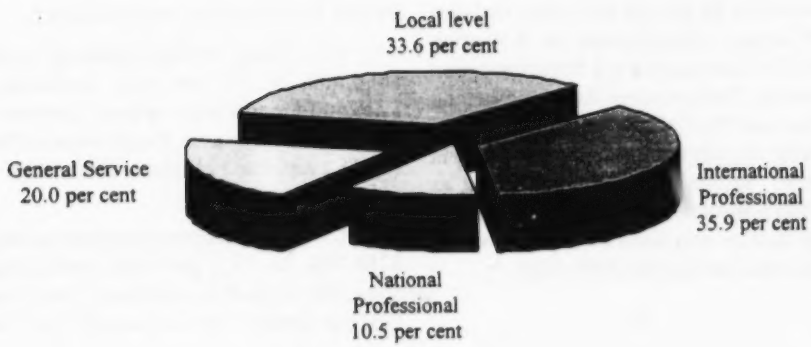


Figure III
Posts by category, 1998-1999



A. Volume changes

27. The rationale for introducing major volume increases of $3,644,800, or 10.6 per cent, in the context of a revised budget is twofold, as follows:

(a) To upgrade support for new programme activities mandated by the twentieth special session of the General Assembly;

(b) To consolidate decentralization, streamline support arrangements and foster synergies between UNDCP and the Centre for International Crime Prevention in continuing with the organizational reform launched in 1998.

28. The twentieth special session of the General Assembly marked a new beginning. It resulted in a strong political commitment by the international community to strengthen international cooperation in drug control. It focused on concrete actions to be taken by States to combat the world drug problem and enhanced the role of UNDCP in supporting the international community in its drug control efforts. UNDCP was entrusted with additional responsibilities to assist the Commission in analysing progress made by States in fulfilling the targets that they set for themselves, by assessing the current situation, monitoring progress and reporting on action taken. Moreover, UNDCP was mandated to provide technical advice and assistance to States and regional mechanisms to enable them to develop and implement new drug control strategies.

29. The follow-up to the special session is reflected in all budget documents of UNDCP. A summary of changes presented in the revised biennial programme budget for 1998-1999 and the outline for 2000-2001 is provided below in paragraphs 35-40 below. Further proposals will be advanced in the context of the regular budget for the biennium 2000-2001. The revised biennial support budget for 1998-1999 presented in the present document includes an upgrading of the support arrangements for delivering new programme activities and increasing implementation of technical cooperation. That requires the strengthening of advocacy activities and the backstopping of technical cooperation. Upgrading the support structure will result in increased programme delivery already in 1999, as indicated in the revised programme budget for 1998-1999, and sets the stage for further increases during the coming biennium, as shown in the outline for 2000-2001.

30. In parallel with reorienting UNDCP following the twentieth special session, it is proposed to continue the organizational reforms launched in 1998, which are described in the initial biennial support budget for 1998-1999. That includes the consolidation of decentralization, including adjustments in the field offices and enhanced arrangements for accountability and executive management through strengthening the Office of the Executive Director. The consolidation of offices at headquarters and the simplification and streamlining of administrative procedures results in considerable efficiency gains. The main changes by organizational entity are the following:

(a) Field offices: opening a new office in the Islamic Republic of Iran;

(b) Operations Branch: strengthening the branch in support of new technical cooperation activities;

(c) Office of the Executive Director and New York Liaison Office: strengthening offices to support accountability and executive management in a decentralized organization;

(d) External Relations Unit: strengthening the unit to respond to its enhanced role in advocacy and image-building;

(e) Divisions at headquarters: merging three divisions at headquarters into two, resulting in reductions in resource requirements for management;

(f) Programme Support Service: streamlining support arrangements, resulting in considerable savings.

31. The volume increase of $3,644,800 relates to increases of $3,274,800, or 12.9 per cent, in post requirements (increase of one D-1, four P-5, two P-4, four P-3, five General Service/other level and two National Programme Officers; decrease of two P-2) and an increase in non-post requirements of $370,000, or 4.1 per cent. Details by budget line are as follows:

(a) Field level/programme support: increase of $666,500, or 3.6 per cent, including an increase of $726,500 for post requirements (increase of one D-2, four P-5 and two National Programme Officers; decrease of two D-1 and one P-4) and a decrease of $60,000 for non-post requirements;

(b) Headquarters/programme support: increase of $786,700, or 11.3 per cent, including an increase of $686,700 for post requirements (increase of two P-4, one P-3, one General Service/principal level and three General

Service/other level; decrease of one D-2 and one P-2) and an increase of $100,000 for non-post requirements;

(c) Headquarters/management and administration: increase of $2,191,600, or 24.6 per cent, including an increase of $1,861,600 for post requirements (increase of three D-1, one P-4, three P-3 and two General Service/other level; decrease of one P-2 and one General Service/principal level) and an increase for non-post requirements of $330,000.

B. Cost changes

32. Cost changes show a decrease of $3,871,300, including a decrease of $986,800 at the field level and a decrease of $2,884,500 at headquarters. The total amount includes a decrease for posts of $3,934,900 and an increase for non-posts of $63,600.

33. The decrease for posts of $3,934,900 includes two adjustments. First, changes in standard costs resulted in a decrease of $1,745,300, with a decrease of $346,500 for field offices and a decrease of $1,398,800 for headquarters. Secondly, changes in the vacancy rates resulted in a decrease of $2,189,600. This is the result of changes in vacancies of existing posts at the field level. Average vacancies increased somewhat for professional posts from 5.5 to 6.0 per cent, and for local-level staff from 6.0 to 6.5 per cent. However, reductions due to vacancy adjustments are mainly the result of introducing new posts in the context of the revised budget. Specifically, at the level of volume adjustments, the biennial cost for each new post is indicated in order to present the full biennial implications of post adjustments. Since those posts are only established for 1999, the 1998 portion of the volume increase is removed through costing adjustment by introducing a vacancy rate of 100 per cent for the first year of the biennium.

34. The increase for non-post provision of $63,600 includes an increase of $505,100 for inflation, largely offset by a decrease of $441,500 for exchange rate movements. The increase for inflation of $505,100 includes an increase of $515,800 at the field level and a decrease of $10,700 at headquarters. The decrease of $441,500 for exchange rate movements includes a decrease of $535,000 at the field level and an increase of $93,500 at headquarters.

C. Revised biennial programme budget

35. The biennial support budget is required to implement the biennial programme budget. As noted in section A above, a number of specific changes in the revised programme budget for 1998-1999 and the outline for 2000-2001 necessitate a volume increase in the support budget for 1998-1999. The revised biennial programme budget for 1998-1999 is presented in document E/CN.7/1999/13 and a summary of the proposals is provided below.

36. The revised programme budget for 1998-1999 amounts to $115,000,000, compared with the approved initial programme budget of $110,502,000. The General Assembly, at its twentieth special session, provided UNDCP with new and expanded mandates for programme activities. The revision of the programme budget responds to those mandates. In addition, the revision takes into account major changes that have occurred since the initial biennial programme budget was presented to the Commission in December 1997.

37. As a result of the special session, UNDCP has been called upon to assist States in achieving the goals of eliminating or substantially reducing illicit cultivation of the opium poppy, the coca bush and the cannabis plant in 10 years. The elimination of the illicit crops sector will expand significantly in order to begin work on the establishment of the global monitoring system for illicit crops. In the field of demand reduction, increased priority will be given to the worldwide assessment of drug abuse, developing effective methodologies and providing advice to Governments in elaborating their own demand reduction strategies. At the same time, UNDCP has been requested to expand substantially its assistance to countries in preventing and reducing drug abuse. UNDCP will assist Governments in monitoring the implementation of the strategy adopted at the special session, and in reporting on progress made towards the attainment of the objectives established by the special session. Priority will also be given to implementation of the global programme against money-laundering and the global legal assistance programme. The special session also enjoined UNDCP to tackle the emerging problems of amphetamine-type stimulants and precursor chemicals, and to expand its work in the field of judicial cooperation. Implementing those mandates involves strengthening the UNDCP support structure and putting in place the programme elements required for significantly increased programme delivery in the coming biennial period. Public information activities

will focus on preparing, coordinating and implementing a new communication strategy of the Office for Drug Control and Crime Prevention, including the adoption of a visual identity to be applied both at headquarters and in the field. During 1999, work will also begin on developing a worldwide clearing-house using the Internet to expand the information available to Governments, and on development of a framework for removal of illegal drug-related information from the Internet.

38. The revised budget also reflects the experience of UNDC—both positive and negative—in implementing drug control activities in the various regions since the preparation of the initial biennial programme budget. On the positive side of the equation, increased programme delivery in the Andean countries is made possible by the translation of strong political commitment into a larger volume of programme activity than originally planned. On the negative side, UNDCP has been constrained from moving forward as quickly as anticipated with alternative development programmes in Afghanistan, in view of the continuing political and practical constraints. In the near term, in addition to maintaining a focus on Afghanistan, priority will be given to countries used to traffic opiates from the major producing areas in Afghanistan.

39. The activities carried out by UNDCP during the biennium 1998-1999 are contained in the eight programmes referred to below. The revised programme budget includes major increases for the region of central and eastern Europe and major decreases for west and central Asia. The details are as follows: sub-Saharan Africa decreased from $9,499,900 to $9,333,000; north Africa and the Middle East increased from $3,265,900 to $3,423,400; central and eastern Europe increased from $9,060,600 to $10,485,000; west and central Asia decreased from $24,221,900 to $17,347,900; south Asia decreased from $3,952,800 to $3,633,300; east Asia and the Pacific decreased from $17,001,200 to $15,529,600; Latin America and the Caribbean increased from $27,999,700 to $33,247,800; and the intercountry programme increased from $15,500,000 to $22,000,000.

40. Each of the regional programmes are multisectoral, covering prevention and reduction of drug abuse, elimination of illicit crops, suppression of illicit drug trafficking and intersectoral activities. The revised programme budget includes major increases for prevention and reduction of drug abuse and decreases for elimination of illicit crops. The details are as follows: prevention and reduction of drug abuse increased from $21,945,900 to $29,663,900; elimination of illicit crops decreased from $29,375,300 to $26,059,700; suppression of illicit drug trafficking decreased from $40,063,400 to $37,620,600; and intersectoral activities increased from $19,117,400 to $21,655,800.

VII. Programme support

41. The revised biennial support budget for 1998-1999 amounts to $24,823,000 for programme support and reflects a volume increase of $1,453,200 or 5.7 per cent. The biennial support budget for programme support is presented for field and headquarters components. For both, a short resource overview is given, including references to the biennial programme budget executed by UNDCP and by agencies as well as to the regular budget of the United Nations. This is followed by details on the volume changes for the biennial support budget.

A. Field offices

42. The revised biennial support budget for 1998-1999 amounts to $18,123,300, reflecting a volume increase of $666,500, or 3.6 per cent. Details on the volume changes are shown in sections 1 and 2 below. In addition, field offices directly execute UNDCP programme activities amounting to $19,201,000, which reflects a volume increase of $324,500, or 1.7 per cent, and backstop programmes executed by agencies amounting to $72,104,900, reflecting a volume decrease of $221,300, or 0.3 per cent. Details on the biennial programme budget are shown in document E/CN.7/1999/13. No resources are being provided to field offices from the regular budget of the United Nations. The resource distribution between the biennial support budget and the biennial programme budget (UNDCP and agency execution) by region is shown in table A.2 of annex I. In a comparison between regions, the share of resources allocated to programme support are highest for sub-Saharan Africa, with 24.3 per cent, and lowest for central and eastern Europe, with 10.0 per cent.

43. The biennial support budget of the Fund provides 41 international posts (2 D-2, 2 D-1, 17 P-5, 10 P-4, 8 P-3 and 2 P-2), 23 National Programme Officer posts and 74 local-level posts, an increase of one D-2, four P-5 and two National Programme Officer posts, partly offset by a decrease of two D-1 and one P-4 posts. In addition, the biennial programme budget of the Fund executed by

UNDCP provides 18 international posts (nine L-5, eight L-4 and one L-3), an increase of six L-4, partly offset by a decrease of two L-3. This results in a total of 156 posts being assigned to the field (59 international posts, 23 National Programme Officer posts, 74 local-level posts), reflecting an increase of 6 international posts and 2 National Programme Officer posts. Finally, a total of 17 associate experts (L-2) are assigned to the field, reflecting an increase of one.

1. Volume change by organizational entity

44. The volume increase of $666,500, or 3.6 per cent, is the result of consolidation adjustments following the decentralization of resources from headquarters to the field level as approved in the context of the initial biennial support budget for 1998-1999. The major changes include:

(a) New office in the Islamic Republic of Iran, at a cost of $499,400, with $415,500 for post requirements and $53,900 for non-post requirements;

(b) Strengthening existing offices in Barbados, Bolivia, Brazil, Egypt, the Lao People's Democratic Republic, Peru, South Africa and Thailand.

45. The new office in the Islamic Republic of Iran expands the existing field office network. The establishment of the office is a response to the expanding activities of UNDCP in the country and to the priority given to it and to neighbouring countries. The office is to provide expert advice to the highest government officials in the development of national long-term drug control policy; to promote awareness of the importance of drug control; among the national authorities; to formulate UNDCP programme objectives in the provision to the Islamic Republic of Iran of technical assistance in drug control; to execute and manage UNDCP programme activities in the country, particularly the comprehensive drug control assistance programme; and to coordinate, monitor and evaluate the overall progress of the ongoing UNDCP-financed activities in that country. The office resources include one P-4, two National Programme Officers and two local-level posts.

46. A number of adjustments have been introduced in other field offices, reflecting the redeployment of staff and the adjustments in non-staff resources. This is mainly in response to shifts in programme implementation and emerging opportunities. The strong political commitment and increased programme delivery in Latin America and the Caribbean, as reflected in paragraphs 39 and 44 above, require a strengthening of the field offices in that region. This includes, in particular, the establishment of a D-2 position to head the regional office in Barbados, with the post being redeployed from headquarters to the field office. Because of political and practical constraints in Afghanistan and Myanmar, less programme support resources are required for those countries. Adjustments in the number of posts include an increase of one D-2 and four P-5, as well as a decrease of two D-1, two P-4 and two local-level posts.

47. With the creation of the Office for Drug Control and Crime Prevention, opportunities for efficiencies are being exploited in the area of field office support. The Centre for International Crime Prevention has recently established a field presence in a selected number of countries. Where UNDCP offices already exist, the support infrastructure for activities of both UNDCP and the Centre are joint, as is the case in South Africa and Uzbekistan. Efficiencies are expected to result, while budget and programme activities remain separate. The detailed budgetary implications will become apparent during the biennium 2000-2001, and corresponding estimates will be provided in the context of the biennial support budget for 2000-2001.

2. Volume change by object of expenditure

48. Total post requirements of $13,137,700 reflect a volume increase of $726,500, or 5.4 per cent (increase of one D-2, four P-5 and two National Programme Officers; decrease of two D-1 and one P-4). Total non-post requirements of $4,985,600 reflect a volume decrease of $60,000, or 1.2 per cent, as detailed below:

(a) *Travel*. The provision of $924,200 reflects no volume change. The amount is required for approximately 650 missions to participate in thematic meetings such as meetings of heads of national drug law enforcement agencies (HONLEA); to provide advisory services to Governments; to participate in meetings of the donor community; to provide project backstopping; to coordinate with donors, United Nations agencies and other organizations; and to participate in the country directors seminar at UNDCP headquarters. The amount of $924,200 includes $165,200 for sub-Saharan Africa, $52,900 for north Africa and the Middle East, $68,000 for central and eastern Europe, $134,100 for west and central Asia, $54,100 for south Asia, $169,300 for east Asia and the Pacific and $280,600 for Latin America and the Caribbean;

(b) *General operating expenses*. The provision of $2,938,000 reflects a volume decrease of $100,000, or 3.2 per cent. The decrease is anticipated on the basis of lower actual expenditure during the first nine months of 1998. The provision of $2,938,000 includes $1,013,000 for rental of office space; $418,000 for maintenance of premises (security, cleaning and utilities, such as electricity, gas and fuel); $347,000 for maintenance of equipment (office equipment and vehicles); $1,125,000 for communications (cables, telex services, telephone calls, facsimiles, electronic mail connections, express mail delivery services and postage); and $35,000 for hospitality at meetings with senior officials. The amount of $2,938,000 includes $457,000 for sub-Saharan Africa, $65,100 for north Africa and the Middle East, $155,500 for central and eastern Europe, $313,300 for west and central Asia, $258,300 for south Asia, $559,700 for east Asia and the Pacific and $1,129,100 for Latin America and the Caribbean;

(c) *Supplies and materials*. The provision of $356,800 reflects a volume decrease of $60,000, or 14.4 per cent. The decrease is anticipated on the basis of lower actual expenditure during the first nine months of 1998. Supplies and materials include provision for stationery and office supplies, such as computer diskettes, paper, typewriter ribbons, toner for laser printers, calendars, pens and pencils, desk accessories and drafting supplies; public information materials; petrol and other lubricants; clothing for local staff when required by local regulations; and subscriptions to newspapers and journals. The amount of $356,800 includes $65,900 for sub-Saharan Africa, $13,400 for north Africa and the Middle East, $27,400 for central and eastern Europe, $64,000 for west and central Asia, $10,000 for south Asia, $53,000 for east Asia and the Pacific and $122,600 for Latin America and the Caribbean;

(d) *Furniture and equipment*. The provision of $766,600 reflects a volume increase of $100,000, or 15.0 per cent. The increase is required for the newly established office in the Islamic Republic of Iran and for upgrading the computer networks in a number of existing country offices. The provision of $766,600 includes $496,000 for office equipment (personal computers, servers for local area networks, printers, scanners, computer software, power-surge protection equipment, telefax machines, mobile telephones, photocopiers, projectors, camera, video player and televisions, audiovisual equipment, document binder, air-conditioning units and telephone equipment), $138,000 for vehicles and $132,600 for furniture (chairs, bookshelves, filing cabinets, computer tables, office desks, tables, armchairs, lamps, heavy office-cleaning equipment, water tanks and other office fixtures). The amount of $352,400 includes $181,500 for sub-Saharan Africa, $18,800 for north Africa and the Middle East, $121,000 for central and eastern Europe, $120,600 for west and central Asia, $15,100 for south Asia, $69,400 for east Asia and the Pacific and $240,200 for Latin America and the Caribbean.

B. Headquarters

49. The revised biennial support budget for 1998-1999 amounts to $6,699,700, reflecting a volume increase of $786,700, or 11.3 per cent. Details on the volume changes are shown in sections 1 and 2 below. In addition, offices providing programme support for the Fund at headquarters also implement activities under the biennial programme budget of the Fund and the regular budget of the United Nations. The biennial programme budget amounts to $14,329,300, reflecting a volume increase of $3,992,000, or 39.6 per cent. Under the regular budget, a sum of $3,019,300 is provided. The volume changes for the biennial support budget as described below is outlined in the context of the overall resources, including all sources of funding, provided to each organizational entity.

1. Volume change by organizational entity

50. The volume increase of $786,700, or 11.4 per cent, involves the following major changes:

(a) Operations Branch: strengthening the branch in support of new technical cooperation activities;

(b) Policy Development and Analysis Branch: strengthening the branch in support of implementing new mandates resulting from the twentieth special session of the General Assembly;

(c) Divisions at headquarters: merging of three divisions at headquarters into two, resulting in reductions in resource requirements for management.

51. The Operations Branch is being strengthened to support the considerable increases in the delivery of technical cooperation activities as described in the revised programme budget for 1998-1999 and the outline for 2000-2001. Moreover, to streamline operations, the responsibilities for project evaluation have been redeployed together with corresponding resources from

the Programme Support Service to the Operations Branch. The Branch is headed by a D-1 and includes a total of 13 Professional (one D-1, three P-5, five P-4, three P-3 and one P-2) and 11 General Service/other level posts covered under the biennial support budget of the Fund, reflecting an increase of one P-5, one P-4, one P-3 and one General Service/other level post. In addition, one L-5 non-reimbursable loan and seven associate experts (L-2) are assigned to the Branch, reflecting an increase of one L-5 non-reimbursable loan and five associate experts (L-2).

52. As indicated in paragraphs 36 and 37 above, and described in the revised programme budget for 1998-1999 (E/CN.7/1999/13), UNDCP has been called upon to assist the Commission in monitoring the implementation of the strategy endorsed by the General Assembly at its twentieth special session, and to assist Governments in reporting on progress made towards the attainment of the objectives established by the special session. That requires the establishment of a global monitoring system for illicit crops and worldwide assessment of drug abuse, which further requires the strengthening of the Policy Development and Analysis Branch already in 1999 under the Fund of UNDCP.

53. The post situation in the Policy Development and Analysis Branch is as follows. The Branch is headed by a D-1 and includes a total of 32 Professional (1 D-1, 3 P/L-5, 13 P/L-4, 8 P/L-3 and 7 P/L-2) and 24 General Service posts (2 principal level and 22 other level) supported from the Fund of UNDCP and the regular budget. That represents an increase of six professional and four General Service posts. The biennial support budget of the Fund provides for four Professional posts (one D-1, two P-5 and one P-4) and seven General Service posts (one principal level and six other level), an increase of one P-4, one General Service/principal level and three General Service/other level posts, partly offset by a decrease of one P-5 post. In addition, the biennial programme budget of the Fund provides for 18 Professional (eight L-4, six L-3 and four L-2) and 12 General Service/other level posts, an increase of four L-4 and two L-3 posts, partly offset by a decrease of one L-5 and one L-2 post. The biennial programme budget is presented in document E/CN.7/1999/13. Moreover, the regular budget provides for 10 professional (one P-5, four P-4, two P-3 and three P-2) and five General Service posts (one principal level and four other level), an increase of two P-2 posts redeployed from other offices of UNDCP. Finally, two associate experts (L-2) are assigned to the Branch, reflecting a decrease of one.

54. As part of the effort to streamline the organization, the number of divisions at headquarters has been reduced from three to two as outlined in the organizational chart presented in annex III. As a result, one D-2 post and one General Service/other level post have been reduced under the programme support/headquarters budget line.

2. Volume changes by object of expenditure

55. Total post requirements of $5,513,700 reflect a volume increase of $686,700, or 11.6 per cent (increase of two P-4, one P-3, one General Service/principal level and three General Service/other level posts; and decrease of one D-2 and one P-2). Total non-post requirements of $1,186,000 reflect a volume increase of $100,000, or 9.6 per cent, as follows:

(a) *Other staff costs*. The provision of $127,500 for temporary assistance and overtime reflects no volume change. The amount is required for general temporary assistance and overtime. General temporary assistance is provided for replacement of staff on maternity leave and extended sick leave; overtime is for periods of peak workload;

(b) *Consultants and experts*. The provision of $138,600 reflects no volume change. The amount is required for consultancy services in support of project formulation, for advisory services to Governments, for the preparation of technical documents to be submitted to the Commission and for backstopping of subregional workshops on national drug control plans;

(c) *Travel*. The provision of $274,800 reflects a volume increase of $30,000, or 12.6 per cent. The amount is required to carry out coordination missions to field offices; to undertake technical consultations with United Nations specialized agencies; to consult with Governments on project formulation, project monitoring, analysis of reports and project evaluation; to participate in expert group meetings; and to participate in regional training courses;

(d) *Contractual services*. The provision of $68,300 reflects no volume change. The amount is required to cover the costs of photocopying and printing, including rental and maintenance of photocopying machines;

(e) *General operating expenses*. The provision of $370,700 reflects a volume increase of $20,000, or 6.0 per cent. The increase of $20,000 is requested for the maintenance of computer equipment and increases in communication expenditure. The provision of $370,700

includes $121,700 for the maintenance of computer equipment, $171,300 for communications (cables, telex services, telephone calls, facsimiles, electronic mail connections, express mail delivery services and postage), $57,500 for the maintenance of laboratory equipment, $12,400 for hospitality and $7,800 for miscellaneous services;

(f) *Supplies and materials*. The provision of $71,900 reflects an increase of $30,000, or 75.5 per cent. The increase is anticipated on the basis of higher actual expenditure during the first nine months of 1998. The provision of $71,900 is required for stationery and office supplies such as computer diskettes, paper, typewriter ribbons, toner for laser printers, calendars, pens and pencils, desk accessories and drafting supplies;

(g) *Equipment*. The provision of $134,200 reflects an increase of $20,000, or 18.4 per cent. The increase of $20,000 is requested for computer equipment for new staff members. The provision of $134,200 is required for the purchase of personal computers, fax machines, laptop computers and printers, and to cover part of the costs of computer software for Windows, DOS and UNIX requirements.

VIII. Management and administration

56. The revised biennial support budget for 1998-1999 amounts to $9,242,700, reflecting a volume increase of $2,191,600, or 24.6 per cent. Details on the volume increase is shown in sections 1 and 2 below. In addition, offices providing services in management and administration for the Fund at headquarters also implement activities under the biennial programme budget of the Fund and the regular budget of the United Nations. The biennial programme budget amounts to $4,168,700, reflecting a volume increase of $413,300; or 11.5 per cent. No posts are funded from the biennial programme budget in offices that also provide services in management and administration. Under the regular budget, $5,931,600 are provided. The volume changes for the biennial support budget as described in sections 1 and 2 are outlined in the context of the overall resources, including all sources of funding, provided to each organizational entity.

1. Volume change by organizational entity

57. The volume increase of $2,060,800, or 13.4 per cent, reflects the following major changes:

(a) Office of the Executive Director and New York Liaison Office: strengthening the offices to support accountability and executive management in a decentralized organization;

(b) External Relations Unit: strengthening the unit to respond to the enhanced role in advocacy and image-building;

(c) Programme Support Service: streamlining support arrangements, resulting in considerable savings;

(e) Director, Division for Treaty Affairs and Support to Drug Control Organs: streamlining of office arrangements, resulting in savings.

58. The Office of the Executive Director discharges executive and management functions as an integrated part of the Office for Drug Control and Crime Prevention and the United Nations Office at Vienna. The Office of the Executive Director has been substantially restructured along the following lines:

(a) The Office of the Executive Director, located at Vienna, is headed by a D-1, upgraded from a previous P-5 post, and includes a total of five Professional (one D-1, one P-4, two P-3 and one P-2) and two General Service/other level posts supported from the Fund of UNDCP and the regular budget. The Fund provides for four Professional posts (one D-1, one P-4 and two P-3) and two General Service/other level posts, an increase of one D-1, one P-4 and two P-3 posts. The regular budget provides for one P-2 post, newly added to the Office. The increase in posts supported from the Fund is partly offset by a decrease of one P-5 and one P-4 and the redeployment of those posts to other offices within UNDCP. In addition, one associate expert (L-2) is assigned to the Office, reflecting no change;

(b) The Liaison Office in New York reports to the Chief of the Office of the Executive Director. The Liaison Office has been strengthened to reflect its additional responsibilities in relation to the Office for Drug Control and Crime Prevention and the United Nations Office at Vienna and to ensure more effective interaction with other United Nations partners at Headquarters. In particular, it will work with the United Nations Development Group, with the Executive Committee on Economic and Social Matters and with the United Nations Development

Assistance Framework. It will ensure more visibility for UNDCP among delegations at Headquarters, and also liaise closely with the international financial institutions in Washington to ensure their continued support for anti-money-laundering activities and for the business plans. The Liaison Office is headed by a new D-1 post and includes a total of three Professional posts (one D-1, one P-5 and one P-3) and two General Service/other level posts. For this post complement, the Fund provides two Professional posts (one D-1 and one P-3) and one General Service/other level post that have been newly established. The regular budget of the United Nations Office at Vienna covers one P-5 and one General Service/other level post. In addition, one associate expert (L-2) is assigned to the Liaison Office, involving no change;

(c) The Office of the Executive Director includes a new P-5 post, reporting directly to the Executive Director, to liaise with the media, on behalf of the Executive Director, to ensure sustained and accurate coverage, by leading international print and broadcasting media, of UNDCP activities and of the drug issue in general. The incumbent will also act as the spokesperson of the Executive Director. This is part of the UNDCP strategy to keep drug control on the public agenda and to ensure continued commitment by Member States and other partners to the targets set by the General Assembly at its twentieth special session. The P-5 post is supported by one new General Service/other level post.

59. The External Relations Unit has been upgraded and considerably strengthened. The Unit focuses on the implementation of the new communication strategy, including the expansion of the corporate identity of UNDCP both at headquarters and in the field and the provision of a service covering the international press and presenting a daily press review to UNDCP managers and staff. The Unit is responsible for improving the content of public information materials, both print and electronic, with a special focus on issues related to the follow-up to the twentieth special session of the General Assembly and to the implementation of the Political Declaration adopted on that occasion (resolution S-20/2, annex). Emphasis is given to the establishment of advocacy groups, comprising experts and public figures from all sectors, to mobilize support for UNDCP and drug control activities and to spread the appropriate message through the private sector and sports events. The coordination of major events and conferences will be the responsibility of the External Relations Unit. Following a review of the External Relations Unit and the Fund-raising Unit as recommended by the Advisory Committee on Administrative and Budgetary Questions (ACABQ), the responsibility for inter-agency coordination and cooperation with non-governmental organizations and civil society has been reassigned from the Fund-raising Unit to the External Relations Unit, together with the required resources. The External Relations Unit is headed by a D-1, upgraded from the previous P-5 post, and includes a total of eight Professional (one D-1, two P-5, one L-5 and four P-3) and six General Service/other level posts supported from the Fund of UNDCP and the regular budget. Under the support budget, the Fund provides five Professional posts (one D-1 and four P-3) and five General Service/other level posts, an increase of one D-1, three P-3 and four General Service/other level posts, partly offset by a decrease of one P-5, one P-2 and one General Service/principal level post. In addition, a new L-5 post supported from the biennial programme budget of the Fund is assigned to the Unit. The regular budget provides two Professional posts (two P-5) and one General Service/other level post; an increase of two P-5 posts. In addition, one associate expert (L-2) is assigned to the office, reflecting a decrease of two.

60. The Fund-raising Unit has been adjusted following a review that also covered the External Relations Unit. As outlined above, the responsibility for inter-agency coordination, cooperation with non-governmental organizations and civil society has been reassigned from the Fund-raising Unit to the External Relations Unit, together with the required resources. The Fund-raising Unit is headed by a D-1 and includes a total of five Professional (one D-1, one P-4, two P-3 and one P-2) and three General Service/other level posts supported from the Fund of UNDCP and the regular budget. The Fund provides three Professional posts (one D-1, one P-4 and one P-2) and three General Service/other level posts, an increase of one P-4 post, partly offset by a decrease of one P-3 post. The regular budget provides two Professional posts (two P-3), a decrease of one P-5 and one P-2 post.

61. The Programme Support Service has been streamlined, resulting in considerable savings. The function of coordinating project evaluation has been reassigned to the Operations Branch, along with the required resources. Procedures have been streamlined by fully decentralizing, from the Programme Support Service to the respective offices of UNDCP, responsibilities for preparation and monitoring of the work plan. The Service is headed by a D-1 and includes a total of seven Professional (one D-1, one P-5, three P-4 and two P-3) and 15 General Service (one principal level, 14 other level)

posts supported from the Fund of UNDCP and the regular budget. The Fund provides 5 Professional posts (one D-1, two P-4 and two P-3) and 12 General Service (one principal level and 11 other level) posts, a decrease of two P-3 and four General Service/other level posts. The regular budget provides two Professional posts (one P-5 and one P-4) and three General Service/other level posts, a decrease of one P-2 post.

62. The office of the Director of the Division for Treaty Affairs and Support to Drug Control Organs has been reduced, with the redeployment of one P-4 post to the Operations Branch.

2. Volume change by object of expenditure

63. Total post requirements of $6,050,600 reflect a volume increase of $1,861,600, or 30.7 per cent (increase of three D-1, one P-4, three P-3 and two General Service/other level; decrease of one P-2 and one General Service/principal level). Total non-post requirements reflect a volume increase of $330,000, or 11.7 per cent, as follows:

(a) *Other staff costs*. The provision of $110,500 reflects no volume change. The amount is required for general temporary assistance and overtime. General temporary assistance is provided for replacement of staff on maternity leave, extended sick leave and periods of peak workload;

(b) *Consultants and experts*. The provision of $174,100 reflects a volume decrease of $130,000, or 42.9 per cent. Major reductions have been made possible by relying increasingly on staff resources, rather than consultants, in particular in the area of evaluation and management advisory services. Consultants continue to be required for experts not available within UNDCP;

(c) *Travel*. The provision of $576,000 reflects a volume increase of $270,000, or 91.3 per cent. The substantial increase of $270,000 is requested for the following three reasons. First, travel of UNDCP staff in support of the twentieth special session of the General Assembly was considerably more than initially anticipated. In particular, the final concept of the twentieth special session, including the side-events, required the presence in New York of additional UNDCP staff. Secondly, missions by the Executive Director were undertaken during the first year of his tenure—travelling with UNDCP senior staff—to familiarize himself with UNDCP operations in the various regions and to promote major fund-raising and programme initiatives. Missions related to fund-raising were made to the 1998 World Economic Forum, held at Davos, Switzerland, and to meet the President of the World Bank in Washington and officials of the European Union in Brussels. Several fund-raising and public relations missions were undertaken to Italy. Fund-raising missions were also undertaken to France, Germany, Luxembourg, the United Kingdom of Great Britain and Northern Ireland and the United States of America. Missions related to UNDCP field operations were conducted in Argentina, Bolivia, China, Colombia, Iran (Islamic Republic of), Kazakhstan, Mexico, Myanmar, Peru and the Republic of Korea. In addition, travel of headquarters staff supported new programme initiatives in west, central and south-east Asia and in Latin America. Thirdly, as indicated for the consultant expenditure category, some tasks previously undertaken by consultants are now carried out by UNDCP staff. Whereas this results in a considerable reduction in expenditures for consultants, some additional resources are required for staff travel;

(d) *Contractual services*. The provision of $46,500 reflects no volume change. The amount is required to cover the costs of photocopying and printing, including rental and maintenance of photocopying machines;

(e) *General operating expenses*. The provision of $374,600 reflects a volume increase of $80,000, or 28.4 per cent. The requested increase relates to $50,000 for communication, $20,000 for the maintenance of computer equipment and $10,000 for hospitality. Increases in communications charges relate mainly to payment of outstanding charges for the previous biennium for the New York Liaison Office. Increases for hospitality relate to events in connection with the twentieth special session of the General Assembly, and expert group meetings on the strengthening of the United Nations machinery for drug control and high-level official visitors. The provision of $374,600 includes $107,300 for the rental of premises for the New York Liaison Office; $95,100 for the maintenance of computer equipment; $145,900 for communications (cables, telex services, telephone calls, facsimiles, electronic mail connections, express mail delivery services and postage); $20,000 for hospitality; and $6,300 for miscellaneous services;

(f) *Supplies and materials*. The provision of $63,400 reflects a volume increase of $30,000, or 94.9 per cent. The increase is anticipated on the basis of higher actual expenditure during the first nine months of 1998.

The amount of $63,400 is required for stationery and office supplies such as computer diskettes, paper, typewriter ribbons, toner for laser printers, calendars, pens and pencils, desk accessories and drafting supplies;

(g) *Equipment*. The provision of $156,500 reflects a volume increase of $80,000, or 109.1 per cent. The increase of $80,000 is requested for the purchase of computers and related equipment for the new positions proposed in the revised biennial support budget and for upgraded equipment for staff at the New York Liaison Office. The provision of $156,900 covers the purchase of personal computers, laptops, printers, fax machines, telephones as well as computer software for Windows, DOS and UNIX requirements;

(h) *Other expenditure*. The provision of $1,689,500 reflects no change. It covers the reimbursement of services provided to the Fund of UNDCP by the Office of Internal Oversight Services of the Secretariat ($269,500), the Division of Administrative and Common Services of the United Nations Office at Vienna ($1,000,000) and UNDP ($420,000).

Annex I

Supplementary tables

Table A.1
Revised programme support cost, 1998-1999
(Thousands of United States dollars)

Item	Programme			Programme support							
				Agency			UNDCP			Total	
	General-purpose	Special-purpose	Total	General-purpose	Special-purpose	Total in %	General-purpose	Special-purpose	Total in %	Amount	%
A. UNDCP implementation											
UNDCP	8 750.3	33 040.7	41 791.0	--	--	--	848.6	4 584.4	13.0	5 433.0	13.0
B. Agency implementation											
United Nations entities and regional institutes											
Centre for International Crime Prevention	--	22.6	22.6	--	1.9	8.3	--	1.1	4.7	2.9	13.0
Economic and Social Commission for Asia and the Pacific	47.5	--	47.5	6.2	--	13.0	--	--	--	6.2	13.0
UNAIDS	--	27.9	27.9	--	3.0	10.8	--	0.6	2.2	3.6	13.0
UNFPA	--	7.6	7.6	--	--	--	--	1.0	13.0	1.0	13.0
UNICEF	--	610.1	610.1	--	43.0	7.0	--	36.3	5.9	79.3	13.0
United Nations Volunteers	--	49.3	49.3	--	5.3	10.8	--	1.1	2.2	6.4	13.0
United Nations Office for Project Services	6 058.5	27 356.0	33 414.5	455.0	1 806.4	6.8	593.7	1 488.3	6.2	4 343.4	13.0
Latin American Institute for the Prevention of Crime and the Treatment of Offenders	107.8	--	107.8	13.5	--	12.5	0.5	--	0.5	14.0	13.0
United Nations specialized agencies											
International Labour Organisation	487.9	258.0	745.9	66.0	27.7	12.6	--	3.2	0.4	97.0	13.0
Food and Agriculture Organization of the United Nations	503.7	1 396.3	1 900.0	66.7	160.2	11.9	--	20.1	1.1	247.0	13.0
United Nations Educational, Scientific and Cultural Organization	53.3	236.6	289.9	7.3	27.2	11.9	--	3.2	1.1	37.7	13.0
World Health Organization	141.4	2 189.3	2 330.7	18.7	255.0	11.7	--	29.3	1.3	303.0	13.0
International Maritime Organization	--	102.8	102.8	--	11.3	11.0	--	2.0	1.9	13.3	13.0
United Nations Industrial Development Organization	109.5	2 210.6	2 320.1	5.3	87.5	4.0	9.0	199.9	9.0	301.7	13.0

Item	Programme			Programme support							
				Agency			UNDCP			Total	
	General-purpose	Special-purpose	Total	General-purpose	Special-purpose	Total in %	General-purpose	Special-purpose	Total in %	Amount	%
Intergovernmental organizations											
Caribbean Customs Law Enforcement Council	--	592.3	592.3	--	--	--	--	77.0	13.0	77.0	13.0
Council of Europe (Pompidou Group)	23.3	187.8	211.1	1.6	11.4	6.2	1.4	13.0	6.8	27.5	13.0
European Centre for Social Welfare Policy and Research	116.6	114.3	230.9	15.1	12.3	11.9	--	2.5	1.1	29.9	13.0
Organization of American States	1.0	9.8	10.8	0.1	0.4	4.2	0.1	0.8	8.8	1.4	13.0
Organization of African Unity	--	363.1	363.1	--	13.2	3.6	--	34.0	9.4	47.2	13.0
World Customs Organization	7.2	605.0	612.2	--	--	--	0.9	78.6	13.0	79.5	13.0
Non-governmental organizations											
Addiction and Mental Health Services Corp.	--	433.3	433.3	--	49.9	11.5	--	6.5	1.5	56.4	13.0
Association Casa Famiglia Rosetta	47.4	487.7	535.1	2.4	20.3	4.2	3.7	43.1	8.7	69.5	13.0
Canadian Center on Substance Abuse	--	440.0	440.0	--	36.5	8.3	--	20.7	4.7	57.2	13.0
International Federation of NGOs against Drug Abuse	38.6	193.4	231.9	4.0	16.1	8.7	1.0	9.1	4.4	30.2	13.0
Norwegian Church AID	63.4	496.8	560.1	4.3	26.7	5.5	4.0	37.9	7.5	72.8	13.0
Swedish Association for Help and Assistance to Drug Abusers	12.5	140.5	153.0	0.6	6.2	4.5	1.0	12.0	8.5	19.8	13.0
South African Police Service	38.0	12.4	50.5	--	--	--	4.9	1.7	13.0	6.6	13.0
University of the West Indies	57.9	1 235.1	1 293.0	4.6	88.0	7.2	2.9	72.6	5.8	168.1	13.0
World Concern	8.8	312.3	321.1	0.5	16.4	5.3	0.6	24.2	7.7	41.7	13.0
Total, B	**7 924.2**	**40 090.9**	**48 015.1**	**671.8**	**2 726.1**	**7.1**	**623.7**	**2 219.8**	**5.9**	**6 241.4**	**13.0**
C. National implementation											
Government	1 458.1	23 111.9	24 570.0	27.3	774.1	3.3	25.2	402.0	1.7	1 228.6	5.0
Non-governmental organizations											
SESI	467.4	156.5	623.9	--	--	--	60.8	20.3	13.0	81.1	13.0
Total, C	**1 925.5**	**23 268.4**	**25 193.9**	**27.3**	**774.1**	**3.2**	**86.0**	**422.3**	**2.0**	**1 309.7**	**5.2**
Grand Total, A, B and C	**18 600.0**	**96 400.0**	**115 000.0**	**699.1**	**3 500.2**	**3.7**	**1 558.3**	**7 226.5**	**7.6**	**12 984.1**	**11.3**

Table A.2
Revised distribution of regional programmes and field offices
(Thousands of United States dollars)

Item	*1998-1999 proposed revised budget*			
			Total	
	General-purpose	*Special-purpose*	*Amount*	*Percentage*
Sub-Saharan Africa				
A. Programme	1 538.8	7 793.8	9 332.6	75.7
B. Field level	2 123.0	871.8	2 994.8	24.3
Total	**3 661.8**	**8 665.6**	**12 327.4**	**100.0**
North Africa and the Middle East				
A. Programme	547.7	2 875.6	3 423.3	83.0
B. Field level	495.4	203.5	698.9	17.0
Total	**1 043.1**	**3 079.1**	**4 122.2**	**100.0**
Central and eastern Europe				
A. Programme	2 213.5	8 271.5	10 485.0	90.0
B. Field level	823.4	338.2	1 161.6	10.0
Total	**3 036.9**	**8 609.7**	**11 646.6**	**100.0**
West and central Asia				
A. Programme	5 253.8	12 094.4	17 348.2	86.4
B. Field level	1 940.3	796.9	2 737.2	13.6
Total	**7 194.1**	**12 891.3**	**20 085.4**	**100.0**
South Asia				
A. Programme	682.1	2 951.2	3 633.3	74.8
B. Field level	865.6	355.5	1 221.1	25.2
Total	**1 547.7**	**3 306.7**	**4 854.4**	**100.0**
East Asia and the Pacific				
A. Programme	4 544.7	10 984.8	15 529.5	81.3
B. Field level	2 540.3	1 043.3	3 583.6	18.7
Total	**7 085.0**	**12 028.1**	**19 113.1**	**100.0**
Latin America and the Caribbean				
A. Programme	–	33 247.9	33 247.9	85.3
B. Field level	4 059.1	1 667.0	5 726.1	14.7
Total	**4 059.1**	**34 914.9**	**38 974.0**	**100.0**
Intercountry				
Programme	3 819.4	18 180.8	22 000.2	100.0
Total	**3 819.4**	**18 180.8**	**22 000.2**	**100.0**
Total				
A. Programme	18 600.0	96 400.0	115 000.0	86.4
B. Field level	12 847.2	5 276.1	18 123.3	13.6
Total	**31 447.2**	**101 676.1**	**133 123.3**	**100.0**

Table A.3

Initial and revised number of posts: details for biennial support budget, biennial programme budget, regular budget and associate experts/non-reimbursable loans, 1998-1999

Item	*USG*	*D-2*	*D-1*	*P-5*	*P-4*	*P-3*	*P-2*	*Total*	*GS/PL*	*GS/OL*	*NPO*	*LL*	***Total***
I. Biennial support budget													
A. Programme support													
1. Field level													
Sub-Saharan Africa													
Kenya													
1998-1999 initial	--	--	--	1	1	1	--	3	--	--	1	3	**7**
1998-1999 revised	--	--	--	1	--	1	--	2	--	--	1	3	**6**
Nigeria													
1998-1999 initial	--	--	--	--	1	--	--	1	--	--	1	2	**4**
1998-1999 revised	--	--	--	--	1	--	--	1	--	--	1	2	**4**
Senegal													
1998-1999 initial	--	--	--	1	--	1	--	2	--	--	1	4	**7**
1998-1999 revised	--	--	--	1	--	1	--	2	--	--	1	4	**7**
South Africa													
1998-1999 initial	--	--	--	1	--	1	--	2	--	--	--	3	**5**
1998-1999 revised	--	--	--	1	1	1	--	3	--	--	--	4	**7**
North Africa and the Middle East													
Egypt													
1998-1999 initial	--	--	1	--	--	--	--	1	--	--	1	2	**4**
1998-1999 revised	--	--	--	1	--	1	--	2	--	--	1	2	**5**
Europe													
Belgium (Brussels)													
1998-1999 initial	--	--	--	1	--	--	--	1	--	--	--	1	**2**
1998-1999 revised	--	--	1	--	--	--	--	1	--	--	--	1	**2**
Latvia													
1998-1999 initial	--	--	--	--	--	--	--	--	--	--	1	--	**1**
1998-1999 revised	--	--	--	--	--	--	--	--	--	--	1	--	**1**
Russian Federation													
1998-1999 initial	--	--	--	1	1	--	--	2	--	--	--	3	**5**
1998-1999 revised	--	--	--	1	--	--	--	1	--	--	--	1	**2**
West and central Asia													
Afghanistan													
1998-1999 initial	--	--	--	--	1	1	--	2	--	--	1	2	**5**
1998-1999 revised	--	--	1	--	--	--	--	1	--	--	1	2	**4**
Iran (Islamic Republic of)													
1998-1999 initial	--	--	--	--	--	--	--	--	--	--	--	--	**--**
1998-1999 revised	--	--	--	--	1	--	--	1	--	--	2	2	**5**
Pakistan													
1998-1999 initial	--	--	1	--	1	--	--	2	--	--	1	6	**9**
1998-1999 revised	--	--	--	1	1	--	--	2	--	--	1	5	**8**

Item	*USG*	*D-2*	*D-1*	*P-5*	*P-4*	*P-3*	*P-2*	*Total*	*GS/PL*	*GS/OL*	*NPO*	*LL*	***Total***
Uzbekistan													
1998-1999 initial	--	--	--	1	1	--	--	2	--	--	1	3	**6**
1998-1999 revised	--	--	--	1	1	--	--	2	--	--	1	3	**6**
South Asia													
India													
1998-1999 initial	--	--	--	1	1	--	--	2	--	--	2	6	**10**
1998-1999 revised	--	--	--	1	1	--	--	2	--	--	2	6	**10**
East Asia and the Pacific													
Lao People's Democaratic Republic													
1998-1999 initial	--	--	--	1	--	--	--	1	--	--	--	4	**5**
1998-1999 revised	--	--	--	1	--	1	--	2	--	--	--	4	**6**
Myanmar													
1998-1999 initial	--	--	--	1	1	1	--	3	--	--	1	5	**9**
1998-1999 revised	--	--	--	1	--	--	1	2	--	--	1	5	**8**
Thailand													
1998-1999 initial	--	1	--	1	--	--	--	2	--	--	2	5	**9**
1998-1999 revised	--	1	--	1	--	--	1	3	--	--	2	5	**10**
Viet Nam													
1998-1999 initial	--	--	--	1	--	--	--	1	--	--	1	3	**5**
1998-1999 revised	--	--	--	1	--	--	--	1	--	--	1	3	**5**
Latin America and the Caribbean													
Barbados													
1998-1999 initial	--	--	1	--	1	--	--	2	--	--	1	3	**6**
1998-1999 revised	--	1	--	1	1	--	--	3	--	--	1	3	**7**
Bolivia													
1998-1999 initial	--	--	--	--	1	--	1	2	--	--	2	5	**9**
1998-1999 revised	--	--	--	1	1	--	--	2	--	--	2	5	**9**
Brazil													
1998-1999 initial	--	--	--	1	--	1	--	2	--	--	1	5	**8**
1998-1999 revised	--	--	--	1	1	1	--	3	--	--	1	5	**9**
Colombia													
1998-1999 initial	--	--	1	--	--	1	--	2	--	--	1	4	**7**
1998-1999 revised	--	--	--	1	--	1	--	2	--	--	1	4	**7**
Mexico													
1998-1999 initial	--	--	--	--	1	--	--	1	--	--	1	2	**4**
1998-1999 revised	--	--	--	--	1	--	--	1	--	--	1	2	**4**
Peru													
1998-1999 initial	--	--	--	1	--	1	1	3	--	--	1	3	**7**
1998-1999 revised	--	--	--	1	--	1	--	2	--	--	1	3	**6**
Total, field level													
1998-1999 initial	**--**	**1**	**4**	**13**	**11**	**8**	**2**	**39**	**--**	**--**	**21**	**74**	**134**
1998-1999 revised	**--**	**2**	**2**	**17**	**10**	**8**	**2**	**41**	**--**	**--**	**23**	**74**	**138**
2. Headquarters													
Director/DOA													
1998-1999 initial	--	2	--	--	--	--	1	3	--	1	--	--	**4**
1998-1999 revised	--	1	--	--	--	--	--	1	--	--	--	--	**1**

Item	*USG*	*D-2*	*D-1*	*P-5*	*P-4*	*P-3*	*P-2*	*Total*	*GS/PL*	*GS/OL*	*NPO*	*LL*	*Total*
Operations Branch/DOA													
1998-1999 initial	--	--	1	2	4	2	1	10	--	10	--	--	20
1998-1999 revised	--	--	1	3	5	3	1	13	--	11	--	--	24
Policy Development and Analysis Branch/DOA													
1998-1999 initial	--	--	1	3	--	--	--	4	--	3	--	--	7
1998-1999 revised	--	--	1	2	1	--	--	4	1	6	--	--	11
Total, headquarters													
1998-1999 initial	--	2	2	5	4	2	2	17	--	14	--	--	31
1998-1999 revised	--	1	2	5	6	3	1	18	1	17	--	--	36
Total, programme support													
1998-1999 initial	--	3	6	18	15	10	4	56	--	14	21	74	165
1998-1999 revised	--	3	4	22	16	11	3	59	1	17	23	74	174
B. Management and administration													
Headquarters													
Office of the Executive Director and New York Liaison Office													
1998-1999 initial	--	--	--	--	--	--	--	--	--	2	--	--	2
1998-1999 revised	--	--	2	1	1	3	--	7	--	4	--	--	11
External Relations Unit													
1998-1999 initial	--	--	--	1	--	1	1	3	1	1	--	--	5
1998-1999 revised	--	--	1	--	--	4	--	5	--	5	--	--	10
Fund Raising Unit													
1998-1999 initial	--	--	1	--	--	1	1	3	--	3	--	--	6
1998-1999 revised	--	--	1	--	1	--	1	3	--	3	--	--	6
Programme Support Service													
1998-1999 initial	--	--	1	--	2	4	--	7	1	15	--	--	23
1998-1999 revised	--	--	1	--	2	2	--	5	1	11	--	--	17
Director/DTASDCO													
1998-1999 initial	--	--	--	--	1	--	--	1	--	--	--	--	1
1998-1999 revised	--	--	--	--	--	--	--	--	--	--	--	--	--
Treaty, Legal Affairs and Commission Secretariat Branch/DTASDCO													
1998-1999 initial	--	--	--	--	--	--	--	--	--	2	--	--	2
1998-1999 revised	--	--	--	--	--	--	--	--	--	2	--	--	2
Total, management and administration													
1998-1999 initial	--	--	2	1	3	6	2	14	2	23	--	--	39
1998-1999 revised	--	--	5	1	4	9	1	20	1	25	--	--	46
C. Programme													
1998-1999 initial	--	--	--	--	--	--	--	--	--	--	--	--	--
1998-1999 revised	--	--	--	--	--	--	--	--	--	--	--	--	--
Total, biennial support budget													
1998-1999 initial	--	3	8	19	18	16	6	70	2	37	21	74	204
1998-1999 revised	--	3	9	23	20	20	4	79	2	42	23	74	220
II. Biennial programme budget													
A. Programme support													
1998-1999 initial	--	--	--	--	--	--	--	--	--	--	--	--	--
1998-1999 revised	--	--	--	--	--	--	--	--	--	--	--	--	--

Item	*USG*	*D-2*	*D-1*	*P-5*	*P-4*	*P-3*	*P-2*	*Total*	*GS/PL*	*GS/OL*	*NPO*	*LL*	***Total***
B. Management and administration													
1998-1999 initial	--	--	--	--	--	--	--	--	--	--	--	--	--
1998-1999 revised	--	--	--	--	--	--	--	--	--	--	--	--	--
C. Programme													
1. Field level													
Sub-Saharan Africa													
Kenya													
1998-1999 initial	--	--	--	1	1	--	--	2	--	--	--	--	2
1998-1999 revised	--	--	--	--	3	--	--	3	--	--	--	--	3
Senegal													
1998-1999 initial	--	--	--	1	--	1	--	2	--	--	--	--	2
1998-1999 revised	--	--	--	--	--	--	--	--	--	--	--	--	--
West and central Asia													
Afghanistan													
1998-1999 initial	--	--	--	--	--	--	--	--	--	--	--	--	--
1998-1999 revised	--	--	--	1	--	--	--	1	--	--	--	--	1
Pakistan													
1998-1999 initial	--	--	--	1	--	--	--	1	--	--	--	--	1
1998-1999 revised	--	--	--	1	--	--	--	1	--	--	--	--	1
Uzbekistan													
1998-1999 initial	--	--	--	--	--	1	--	1	--	--	--	--	1
1998-1999 revised	--	--	--	--	1	1	--	2	--	--	--	--	2
South Asia													
India													
1998-1999 initial	--	--	--	1	--	--	--	1	--	--	--	--	1
1998-1999 revised	--	--	--	1	--	--	--	1	--	--	--	--	1
East Asia and the Pacific													
Myanmar													
1998-1999 initial	--	--	--	--	--	--	--	--	--	--	--	--	--
1998-1999 revised	--	--	--	1	--	--	--	1	--	--	--	--	1
Thailand													
1998-1999 initial	--	--	--	3	1	--	--	4	--	--	--	--	4
1998-1999 revised	--	--	--	3	3	--	--	6	--	--	--	--	6
Viet Nam													
1998-1999 initial	--	--	--	1	--	--	--	1	--	--	--	--	1
1998-1999 revised	--	--	--	--	--	--	--	--	--	--	--	--	--
Latin America and the Caribbean													
Barbados													
1998-1999 initial	--	--	--	--	--	1	--	1	--	--	--	--	1
1998-1999 revised	--	--	--	--	1	--	--	1	--	--	--	--	1
Colombia													
1998-1999 initial	--	--	--	--	--	--	--	--	--	--	--	--	--
1998-1999 revised	--	--	--	1	--	--	--	1	--	--	--	--	1
Peru													
1998-1999 initial	--	--	--	1	--	--	--	1	--	--	--	--	1
1998-1999 revised	--	--	--	1	--	--	--	1	--	--	--	--	1

Item	*USG*	*D-2*	*D-1*	*P-5*	*P-4*	*P-3*	*P-2*	*Total*	*GS/PL*	*GS/OL*	*NPO*	*LL*	*Total*
Total, field level													
1998-1999 initial	–	–	–	**9**	**2**	**3**	–	**14**	–	–	–	–	**14**
1998-1999 revised	–	–	–	**9**	**8**	**1**	–	**18**	–	–	–	–	**18**
2. Headquarters													
External Relations Unit													
1998-1999 initial	--	--	--	--	--	--	--	--	--	--	--	--	–
1998-1999 revised	--	--	--	1	--	--	--	1	--	--	--	--	**1**
Global Programme against Money Laundering													
1998-1999 initial	--	--	--	1	2	--	1	4	--	1	--	--	**5**
1998-1999 revised	--	--	1	1	3	--	1	6	--	3	--	--	**9**
INCB secretariat/DTASDCO													
1998-1999 initial	--	--	--	--	1	--	--	1	--	1	--	--	**2**
1998-1999 revised	--	--	--	--	1	--	--	1	--	2	--	--	**3**
Legal Advisory Programme/DTASDCO													
1998-1999 initial	--	--	--	2	--	--	--	2	--	1	--	--	**3**
1998-1999 revised	--	--	--	1	--	1	--	2	--	1	--	--	**3**
Policy Development and Analysis Branch/DOA													
1998-1999 initial	--	--	--	1	4	4	5	14	--	12	--	--	**26**
1998-1999 revised	--	--	--	--	8	6	4	18	--	12	--	--	**30**
Total, headquarters													
1998-1999 initial	–	–	–	**4**	**7**	**4**	**6**	**21**	–	**15**	–	–	**36**
1998-1999 revised	–	–	**1**	**3**	**12**	**7**	**5**	**28**	–	**18**	–	–	**46**
Total, programme													
1998-1999 initial	–	–	–	**13**	**9**	**7**	**6**	**35**	–	**15**	–	–	**50**
1998-1999 revised	–	–	**1**	**12**	**20**	**8**	**5**	**46**	–	**18**	–	–	**64**
III. Regular budget													
A. Programme support													
Headquarters													
Director/DOA													
1998-1999 initial	--	--	--	--	--	--	1	1	--	1	--	--	**2**
1998-1999 revised	--	--	--	--	--	--	--	--	--	1	--	--	**1**
Total, programme support													
1998-1999 initial	–	–	–	–	–	–	**1**	**1**	–	**1**	–	–	**2**
1998-1999 revised	–	–	–	–	–	–	–	–	–	**1**	–	–	**1**
B. Management and administration													
Headquarters													
Executive Director													
1998-1999 initial	1	--	--	--	--	--	--	1	1	--	--	--	**2**
1998-1999 revised	1	--	--	--	--	--	--	1	1	--	--	--	**2**
Office of the Executive Director and New York Liaison Office													
1998-1999 initial	--	--	--	1	1	--	--	2	--	--	--	--	**2**
1998-1999 revised	--	--	--	--	--	--	1	1	--	--	--	--	**1**
External Relations Unit													
1998-1999 initial	--	--	--	--	--	--	--	--	--	1	--	--	**1**
1998-1999 revised	--	--	--	2	--	--	--	2	--	1	--	--	**3**

Item	*USG*	*D-2*	*D-1*	*P-5*	*P-4*	*P-3*	*P-2*	*Total*	*GS/PL*	*GS/OL*	*NPO*	*LL*	***Total***
Fund Raising Unit													
1998-1999 initial	--	--	--	1	--	2	1	4	--	--	--	--	**4**
1998-1999 revised	--	--	--	--	--	2	--	2	--	--	--	--	**2**
Programme Support Service													
1998-1999 initial	--	--	--	1	1	--	1	3	--	3	--	--	**6**
1998-1999 revised	--	--	--	1	1	--	--	2	--	3	--	--	**5**
Director/DTASDCO													
1998-1999 initial	--	1	--	--	--	--	--	1	1	--	--	--	**2**
1998-1999 revised	--	1	--	--	--	--	--	1	1	--	--	--	**2**
Treaty, Legal Affairs and Commission Secretariat Branch/DTASDCO													
1998-1999 initial	--	--	1	1	3	2	2	9	--	4	--	--	**13**
1998-1999 revised	--	--	1	1	3	2	2	9	--	4	--	--	**13**
Total, management and administration													
1998-1999 initial	**1**	**1**	**1**	**4**	**5**	**4**	**4**	**20**	**2**	**8**	**--**	**--**	**30**
1998-1999 revised	**1**	**1**	**1**	**4**	**4**	**4**	**3**	**18**	**2**	**8**	**--**	**--**	**28**
C. Programme													
Headquarters													
Global Programme against Money Laundering													
1998-1999 initial	--	--	--	--	--	--	--	--	--	--	--	--	**--**
1998-1999 revised	--	--	--	--	1	--	--	1	--	--	--	--	**1**
INCB secretariat/DTASDCO													
1998-1999 initial	--	--	1	1	3	7	3	15	--	11	--	--	**26**
1998-1999 revised	--	--	1	1	3	7	3	15	--	11	--	--	**26**
Legal Advisory Programme/DTASDCO													
1998-1999 initial	--	--	--	1	--	--	--	1	--	1	--	--	**2**
1998-1999 revised	--	--	--	1	--	--	--	1	--	1	--	--	**2**
Policy Development and Analysis Branch/DOA													
1998-1999 initial	--	--	--	1	4	2	1	8	1	4	--	--	**13**
1998-1999 revised	--	--	--	1	4	2	3	10	1	4	--	--	**15**
Total, programme													
1998-1999 initial	**--**	**--**	**1**	**3**	**7**	**9**	**4**	**24**	**1**	**16**	**--**	**--**	**41**
1998-1999 revised	**--**	**--**	**1**	**3**	**8**	**9**	**6**	**27**	**1**	**16**	**--**	**--**	**44**
Total, regular budget													
1998-1999 initial	**1**	**1**	**2**	**7**	**12**	**13**	**9**	**45**	**3**	**25**	**--**	**--**	**73**
1998-1999 revised	**1**	**1**	**2**	**7**	**12**	**13**	**9**	**45**	**3**	**25**	**--**	**--**	**73[a]**

IV. Associate experts/non-reimbursable loans

Item	*L-5*	*L-2*	***Total***
A. Programme support			
1. Field level			
Sub-Saharan Africa			
Kenya			
1998-1999 initial	--	--	**--**
1998-1999 revised	--	1	**1**

Item	*L-5*	*L-2*	*Total*
Nigeria			
1998-1999 initial	--	--	–
1998-1999 revised	--	1	1
Senegal			
1998-1999 initial	--	1	1
1998-1999 revised	--	1	1
South Africa			
1998-1999 initial	--	--	–
1998-1999 revised	--	1	1
North Africa and the Middle East			
Egypt			
1998-1999 initial	--	--	–
1998-1999 revised	--	1	1
Europe			
Belgium (Brussels)			
1998-1999 initial	--	--	–
1998-1999 revised	--	1	1
Russian Federation			
1998-1999 initial	--	--	–
1998-1999 revised	--	1	1
West and central Asia			
Afghanistan			
1998-1999 initial	--	2	2
1998-1999 revised	--	1	1
Uzbekistan			
1998-1999 initial	--	1	1
1998-1999 revised	--	--	–
South Asia			
India			
1998-1999 initial	--	--	–
1998-1999 revised	--	1	1
East Asia and the Pacific			
Lao People's DemocraticRepublic			
1998-1999 initial	--	2	2
1998-1999 revised	--	2	2
Myanmar			
1998-1999 initial	--	1	1
1998-1999 revised	--	--	–
Thailand			
1998-1999 initial	--	2	2
1998-1999 revised	--	1	1
Viet Nam			
1998-1999 initial	--	2	2
1998-1999 revised	--	2	2
Latin America and the Caribbean			
Barbados			
1998-1999 initial	--	1	1
1998-1999 revised	--	--	–

Item	*L-5*	*L-2*	*Total*
Bolivia			
1998-1999 initial	--	1	1
1998-1999 revised	--	1	1
Colombia			
1998-1999 initial	--	1	1
1998-1999 revised	--	1	1
Mexico			
1998-1999 initial	--	1	1
1998-1999 revised	--	1	1
Peru			
1998-1999 initial	--	1	1
1998-1999 revised	--	--	--
Total, field level			
1998-1999 initial	**--**	**16**	**16**
1998-1999 revised	**--**	**17**	**17**
2. Headquarters			
Operations Branch/DOA			
1998-1999 initial	--	2	2
1998-1999 revised	1	7	8
Policy Development and Analysis Branch/DOA			
1998-1999 initial	--	3	3
1998-1999 revised	--	2	2
Total, headquarters			
1998-1999 initial	**--**	**5**	**5**
1998-1999 revised	**1**	**9**	**10**
Total, programme support			
1998-1999 initial	**--**	**21**	**21**
1998-1999 revised	**1**	**26**	**27**
B. Management and administration			
Headquarters			
Office of the Executive Director and New York Liaison Office			
1998-1999 initial	--	2	2
1998-1999 revised	--	2	2
External Relations Unit			
1998-1999 initial	--	3	3
1998-1999 revised	--	1	1
Total, management and administration			
1998-1999 initial	--	5	5
1998-1999 revised	--	3	3
C. Programme			
Headquarters			
Treaty, Legal Affairs and Commission Secretariat Branch/DTASDCO			
1998-1999 initial	1	--	1
1998-1999 revised	--	--	--
INCB secretariat/DTASDCO			
1998-1999 initial	2	--	2
1998-1999 revised	1	--	1

Item	*L-5*	*L-2*	*Total*
Legal Advisory Programme/DTASDCO			
1998-1999 initial	--	--	--
1998-1999 revised	--	3	3
Total, associate experts/non-reimbursable loans			
1998-1999 initial	**3**	**26**	**29**
1998-1999 revised	**2**	**32**	**34**

*Includes 1 P-5 and 1 General Service funded under section 21 (technical cooperation) and 3 General Service funded from general temporary assistance under section 15 (international drug control).

Table A.4

Revised number of posts: summary for biennial support budget, biennial programme budget, regular budget and associate experts/non-reimbursable loans, 1998-1999

Item	Fund support			Fund programme			Regular budget			Distribution of all posts													Initial changes to revised budget			Associate experts/ loans
	D/P	Other	Total	D/P	Other	Total	D/P	Other	Total	USG	D-2/ L-7	D-1/ L-6	P-5/ L-5	P-4/ L-4	P-3/ L-3	P-2/ L-2	Total	GS/ PL	GS/ OL	NPO	Loc level	Total	D/P, L	Other	Total	
Field level																										
Sub-Saharan Africa																										
Kenya	2	4	6	3	--	3	--	--	--	--	--	--	1	3	1	--	5	--	--	1	3	9	--	--	--	1
Nigeria	1	3	4	--	--	--	--	--	--	--	--	--	--	1	--	--	1	--	--	1	2	4	--	--	--	1
Senegal	2	5	7	--	--	--	--	--	--	--	--	--	1	--	1	--	2	--	--	1	4	7	(2)	--	(2)	1
South Africa	3	4	7	--	--	--	--	--	--	--	--	--	1	1	1	--	3	--	--	--	4	7	1	1	2	1
North Africa and the Middle East																										
Egypt	2	3	5	--	--	--	--	--	--	--	--	--	1	--	1	--	2	--	--	1	2	5	1	--	1	1
Europe																										
Belgium (Brussels)	1	1	2	--	--	--	--	--	--	--	--	1	--	--	--	--	1	--	--	--	1	2	--	--	--	1
Latvia	--	1	1	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1	--	1	--	--	--	--
Russian Federation	1	1	2	--	--	--	--	--	--	--	--	--	1	--	--	--	1	--	--	--	1	2	(1)	(2)	(3)	1
West and central Asia																										
Afghanistan	1	3	4	1	--	1	--	--	--	--	--	1	1	--	--	--	2	--	--	1	2	5	--	--	--	1
Iran (Islamic Republic of)	1	4	5	--	--	--	--	--	--	--	--	--	--	1	--	--	1	--	--	2	2	5	1	4	5	--
Pakistan	2	6	8	1	--	1	--	--	--	--	--	--	2	1	--	--	3	--	--	1	5	9	--	(1)	(1)	--
Uzbekistan	2	4	6	2	--	2	--	--	--	--	--	--	1	2	1	--	4	--	--	1	3	8	1	--	1	--
South Asia																										
India	2	8	10	1	--	1	--	--	--	--	--	--	2	1	--	--	3	--	--	2	6	11	--	--	--	1
East Asia and the Pacific																										
Lao People's Democratic Republic	2	4	6	--	--	--	--	--	--	--	--	--	1	--	1	--	2	--	--	--	4	6	1	--	1	2
Myanmar	2	6	8	1	--	1	--	--	--	--	--	--	2	--	--	1	3	--	--	1	5	9	--	--	--	--
Thailand	3	7	10	6	--	6	--	--	--	--	1	--	4	3	--	1	9	--	--	2	5	16	3	--	3	1
Viet Nam	1	4	5	--	--	--	--	--	--	--	--	--	1	--	--	--	1	--	--	1	3	5	(1)	--	(1)	2

Item	Fund support			Fund programme			Regular budget			Distribution of all posts													Initial changes to revised budget			Associate experts/ loans
	D/P	Other	Total	D/P	Other	Total	D/P	Other	Total	USG	D-2/ L-7	D-1/ L-6	P-5/ L-5	P-4/ L-4	P-3/ L-3	P-2/ L-2	Total	GS/ PL	GS/ OL	NPO	Loc. level	Total	D/P, L	Other	Total	
Latin America and the Caribbean																										
Barbados	3	4	7	1	--	1	--	--	--	--	1	--	1	2	--	--	4	--	--	1	3	8	1	--	1	--
Bolivia	2	7	9	--	--	--	--	--	--	--	--	--	1	1	--	--	2	--	--	2	5	9	--	--	--	1
Brazil	3	6	9	--	--	--	--	--	--	--	--	--	1	1	1	--	3	--	--	1	5	9	1	--	1	--
Colombia	2	5	7	1	--	1	--	--	--	--	--	--	2	--	1	--	3	--	--	1	4	8	1	--	1	1
Mexico	1	3	4	--	--	--	--	--	--	--	--	--	--	1	--	--	1	--	--	1	2	4	--	--	--	1
Peru	2	4	6	1	--	1	--	--	--	--	--	--	2	--	1	--	3	--	--	1	3	7	(1)	--	(1)	--
Total, field level	**41**	**97**	**138**	**18**	**--**	**18**	**--**	**--**	**--**	**--**	**2**	**2**	**26**	**18**	**9**	**2**	**59**	**--**	**--**	**23**	**74**	**156**	**6**	**2**	**8**	**17**
Headquarters																										
Executive Director	--	--	--	--	--	--	1	1	2	1	--	--	--	--	--	--	1	1	--	--	--	2	--	--	--	--
Office of the Executive Director and New York Liaison Office	7	4	11	--	--	--	1	--	1	--	--	2	1	1	3	1	8	--	4	--	--	12	6	2	8	2
External Relations Unit	5	5	10	1	--	1	2	1	3	--	--	1	3	--	4	--	8	--	6	--	--	14	5	3	8	1
Fund-raising Unit	3	3	6	--	--	--	2	--	2	--	--	1	--	1	2	1	5	--	3	--	--	8	(2)	--	(2)	--
Programme Support Service	5	12	17	--	--	--	2	3	5	--	--	1	1	3	2	--	7	1	14	--	--	22	(3)	(4)	(7)	--
Global Programme against Money Laundering	--	--	--	6	3	9	1	--	1	--	--	1	1	4	--	1	7	--	3	--	--	10	3	2	5	--
Director/DTASDCO	--	--	--	--	--	--	1	1	2	--	1	--	--	--	--	--	1	1	--	--	--	2	(1)	--	(1)	--
Treaty, Legal Affairs and Commission Secretariat Branch/DTASDCO	--	2	2	--	--	--	9	4	13	--	--	1	1	3	2	2	9	--	6	--	--	15	--	--	--	--
INCB secretariat/DTASDCO	--	--	--	1	2	3	15	11	26	--	--	1	1	4	7	3	16	--	13	--	--	29	--	1	1	1
Legal Advisory Programme/DTASDCO	--	--	--	2	1	3	1	1	2	--	--	--	2	--	1	--	3	--	2	--	--	5	--	--	--	3
Director/DOA	1	--	1	--	--	--	--	1	1	--	1	--	--	--	--	--	1	--	1	--	--	2	(3)	(1)	(4)	--
Operations Branch/DOA	13	11	24	--	--	--	--	--	--	--	--	1	3	5	3	1	13	--	11	--	--	24	3	1	4	8
Policy Development and Analysis Branch/DOA	4	7	11	18	12	30	10	5	15	--	--	1	3	13	8	7	32	2	22	--	--	56	6	4	10	2
Total, headquarters	**38**	**44**	**82**	**28**	**18**	**46**	**45**	**28**	**73**	**1**	**2**	**10**	**16**	**34**	**32**	**16**	**111**	**5**	**85**	**--**	**--**	**201**	**14**	**8**	**22**	**17**
Total, UNDCP	**79**	**141**	**220**	**46**	**18**	**64**	**45**	**28**	**73**	**1**	**4**	**12**	**42**	**52**	**41**	**18**	**170**	**5**	**85**	**23**	**74**	**357**	**20**	**10**	**30**	**34**

Table A.5
Revised number of programme posts: details on functions, 1998-1999

Office and programme title		*Category level*
A. Programme support		None
B. Management and administration		None
C. Programme		
1. Field level		
Sub-Saharan Africa		
RAF/967	Mobilization of NGOs in east and southern Africa	
	1. NGO expert	L-4
RAF/D21	Advisory services in law enforcement	
	2. Law enforcement adviser	L-4
RAF/B66	Advisory services in demand reduction	
	3. Demand reduction adviser	L-4
West and central Asia		
RAS/D18	Advisory services in law enforcement	
	4. Law enforcement technical adviser	L-5
RAS/B50	Advisory services in alternative development in Asia	
	5. Alternative development adviser	L-5
RER/D41	Advisory services in strengthening drug law enforcement capacities	
	6. Programme coordinator	L-4
RAS/C32	Mapping the extent of illicit cultivation in Kazakhstan, Kyrgstan and Tajikistan	
	7. Technical adviser	L-3
South Asia		
RAS/938	Precursor control in south and south-east Asia	
	8. Project coordinator	L-5
East Asia and the Pacific		
RAS/980	Advisory services in alternative development in Asia	
	9. Alternative development adviser	L-5
RAS/D20	Advisory services in law enforcement	
	10. Law enforcement adviser	L-5
RAS/D44	Advisory services in demand reduction	
	11. Demand reduction adviser	L-5
RAS/C75	Demand reduction advisory services	
	12. Project manager	L-5
RAS/B38	Precursor control in east Asia	
	13. Project coordinator	L-4
RAS/C51	Development and production of law enforcement interactive computer-based training courses	
	14. Project coordinator	L-4
RAS/B65	Information gathering analysis and dissemination for law enforcement agencies	
	15. Project coordinator	L-4
Latin America and the Caribbean		
RLA/920	Advisory services in alternative development in Latin America	
	16. Alternative development adviser	L-5
RLA/XXX	Legal advisory services	
	17. Senior legal adviser	L-5
CAR/B16	Coordination of drug control assistance in the Caribbean region	
	18. Drug control expert	L-4

Office and programme title		*Category level*
2. Headquarters		
External Relations Unit		
GLO/D64	General Assembly special session follow-up	
	1. Public information expert	L-5
Global Programme against Money Laundering		
GLO/B79	Global programme against money-laundering	
	2. Programme manager	L-6
	3. Strategic analyst	L-5
	4. Financial expert	L-4
	5. Expert in money-laundering	L-4
	6. Financial investigations expert	L-4
	7. Training coordinator and database assistant	L-2
	8. Secretary	GS
	9. Secretary	GS
	10. Administrative assistant	GS
INCB secretariat/DTASDCO		
GLO/565	INCB databank for precursors control	
	11. Expert	L-4
	12. Secretary	GS
	13. Secretary	GS
Legal Advisory Programme/DTASDCO		
GLO/900	Legal advisory programme	
	14. Senior legal adviser	L-5
	15. Legal expert	L-3
	16. Secretary	GS
Policy Development and Analysis Branch/DOA		
GLO/C93	Preparation of global plan for the elimination of illicit opium poppy and coca cultivation	
	17. Expert	L-4
	18. Secretary	GS
GLO/B63	Project and programme development and evaluation in alternative development	
	19. Expert	L-3
GLO/583	Assistance in scientific support in the laboratory sector	
	20. Expert	L-3
	21. Laboratory technician	GS
	22. Laboratory technician	GS
	23. Secretary	GS
GLO/B83	Signature analysis/profiling for seized drug materials and products	
	24. Expert	L-4
	25. Expert	L-2
GLO/D45	Operationalization of action plan on ATS in the far east/south-east Asia region	
	26. Expert on amphetamine-type stimulants	L-3
GLO/C92	World report on drugs	
	27. Project manager	L-4
	28. Assistant project manager	L-3
	29. Secretary	GS
GLO/C09	Information system for national administrators	
	30. Technical expert	L-2
BPK-14331	Support to technical expertise in the Proejct Development and Analysis Branch	
	31. Demand reduction expert	L-4
	32. Expert in drug abuse prevention	L-4
	33. Economist	L-4
	34. Research expert	L-4
	35. Research expert	L-4
	36. Information expert	L-3

Office and programme title		*Category level*
	37. Expert	L-3
	38. Computer systems assistant	GS
	39. Computer systems clerk	GS
	40. Secretary	GS
	41. Supply reduction expert	L-2
	42. Data entry clerk	GS
	43. Secretary	GS
	44. Secretary	GS
	45. Secretary	GS
GLO/B92	Global initiative on primary prevention of substance abuse	
	46. Expert	L-2

Annex II

Budget presentation

A. Budget cycle and format of biennial support budget

1. Following the approval of the outline, the biennial budget cycle for the Fund of UNDCP includes the following three stages: initial budget submitted prior to the start of the biennium; the revised budget submitted at mid-term of the two-year period; and the final budget submitted towards the end of the budget cycle. Each budget submission contains two parts, the biennial support budget and the biennial programme budget. The biennial support budget for the Fund of UNDCP is presented in accordance with the harmonized budget model as applied by UNDP, UNICEF and UNFPA. This format was first utilized for the final biennial support budget for 1996-1997 and the initial biennial support budget for 1998-1999 (E/CN.7/1997/14). The harmonized model provides for a common format for the presentation of biennial support budgets, common terms and definitions relating thereto and a common methodology for the preparation of budget estimates. The main features of the biennial support budget provide for:

(a) A clear separation between the biennial support budget and the biennial programme budget;

(b) An integration of the biennial support budget within an overall resource framework, including programme activities;

(c) A clear separation within the biennial support budget between programme support and management and administration;

(d) Transparency of headquarters resources and field operations;

(e) Funding of the biennial support budget from unearmarked and programme support resources;

(f) Presentation of the biennial support budget by budget line for approval by the Commission;

(g) A budget classification based on organizational units, identifying the primary focus of the responsibilities and functions of each unit.

2. Whereas the harmonized budget model provides for a standard presentation for programmes of the United Nations, it leaves sufficient flexibility to maintain or introduce budgetary concepts specific to the organization concerned. In this regard, the following budget concepts have been introduced in the harmonized budget model as applied by UNDCP:

(a) Comparability with the regular budget of the United Nations in order to provide for an integrated budget presentation;

(b) Performance report in the context of the final biennial support budget;

(c) Detailed presentation of the financial situation, utilizing a systematic approach for establishing income estimates;

(d) Revision of the approved budget within the biennium;

(e) Recosting of programme activities;

(f) Extensive annexes to the biennial support budget, including information of interest to the Commission and ACABQ such as the following: the organizational structure of UNDCP; responses to observations by the Commission, ACABQ and the Board of Auditors; and the budget methodology.

3. As noted, in addition to the biennial support budget, the budget also includes the biennial programme budget. Essentially, the support budget is explained in terms of the level of the programme to be implemented. Whereas the support budget document includes a summary of the revised programme in paragraphs 35-40, more details on programme activities can be found in the revised biennial programme budget for 1998-1999 (E/CN.7/1999/13).

B. Methodology for revised biennial support budget

4. The revised biennial support budget for 1998-1999 presents adjustments to the approved initial biennial support budget for 1998-1999 at mid-term of the two-year period. Initial budget estimates and programme activities unaffected by the adjustments remain valid and are not presented or recalled as part of the revised budget. By restricting the presentation to incremental changes, it is possible to present a short document and avoid duplication of the presentation made in the approved initial biennial support budget.

5. The revised budget includes two types of adjustments: cost changes and volume changes. First, cost changes identify any increase or decrease in the cost of a resource input. Such adjustments reflect, in particular, the fluctuations in rates and standard costs, inflation and exchange rates as compared with the assumptions used for establishing the approved budget. Secondly, volume changes capture departures from the controllable elements of the approved budget, in particular modification of the approved programme of work. In the context of the revised budget, only major departures from the approved budget are presented, and no attempt is made to cover all details and possible adjustments. By imposing this restriction, it is possible to avoid presenting a fully-fledged budget proposal, while maintaining the biennial character of the budget cycle.

6. The volume adjustments for the revised biennial support budget for 1998-1999 are expressed at the revised rates and standard cost. Such rates and standard costs include information on exchange rates, inflation rates, standard salary costs, common staff costs and vacancy rates. For calculating cost changes, up-to-date rates and standard costs are subsequently applied. Whereas the budget of UNDCP is expressed in United Sates dollars, a large share of the expenditures are incurred in other currencies. Exchange rate and inflation rate movements between such currencies and the dollar can therefore have a sizeable impact on the calculation of the cost adjustment. For exchange rate fluctuations, the cost adjustments update previous assumptions on the basis of actual monthly operational rates in the country of operation. Projections until the end of the budget period are based on the latest available monthly rate and no attempt is made to forecast the movement of currencies vis-à-vis the United States dollar. For inflation, previous assumptions are updated on the basis of actual monthly consumer-price indices prevailing in the country of operation. Projections are based on an average of the past 12 months. Revisions to standard salary costs, common staff costs and vacancy rates are based on actual experience by category and level for the Vienna duty station and each of the four regions of operation. Projections are based on the latest monthly information, available from 19 countries that represent the main areas of UNDCP operations, and on standard salary costs used for the regular budget of the United Nations, including standard salary cost version 06/1998 for the biennium 1998-1999.

C. Response to requests and recommendations by the Advisory Committee on Administrative and Budgetary Questions

7. The report of the Advisory Committee on Administrative and Budgetary Questions (E/CN.7/1997/ 16) on the proposed final biennial support budget for 1996-1997 and proposed initial biennial support budget for 1998-1999 (E/CN.7/1997/14) contained a number of recommendations and requests for further information. The response of UNDCP is outlined below.

8. *Description of programmes to justify the biennial support budget.* In paragraph 2 of document E/CN.7/1997/16, ACABQ welcomed the new budget presentation of UNDCP, in line with the harmonized budget model developed by UNDP, UNICEF and UNFPA. The Committee recommended that in future the support budget document should include a brief summary of the programme and the related financial requirements. In accordance with that recommendation, the Committee suggested in paragraph 3 that the document could be further improved in future by better explaining the programme support estimates in terms of the level of the programme to be implemented.

9. *Response.* In accordance with the recommendation of ACABQ, section IX of the revised biennial support budget presents a brief summary of the revised programme budget. This presentation is considered to provide additional explanation of the programme support estimates.

10. *Earmarking and support services.* In paragraph 18 of document E/CN.7/1997/16, ACABQ noted that programme management and administrative efficiency require further attention. The Committee noted that 84 per cent of the contributions are tied to special-purpose funds for 1998-1999 and that this situation, combined with the fact that UNDCP implements a large number of small projects, gives rise to a large number of outputs indicated under support services. The Committee believed that further careful analysis may indicate where streamlining of support services can be effected without affecting the monitoring capacity of UNDCP, and recommended that the Executive Director, together with donors, should further explore ways and means to address the issue.

11. *Response.* In accordance with the recommendation of ACABQ, the Programme Support Service of UNDCP has been reviewed, and proposals are included in the revised biennial support budget to streamline the support

service. As a result, it is proposed that the number of posts of the Programme Support Service should be reduced from 23 to 17 under the Fund of UNDCP.

12. *Review of the external relations function.* In paragraph 19 of document E/CN.7/1997/16, ACABQ noted the establishment of an external relations function and recommended that the Executive Director should indicate, in the context of his next report, whether that function could be carried out by other units or branches, such as the one dealing with inter-agency coordination.

13. *Response.* In accordance with the recommendations of ACABQ, the relationship between the External Relations Unit and other UNDCP entities has been reviewed. This not only confirmed the importance of maintaining external relations as a separate entity; it also resulted in a further strengthening of the Unit. In particular, the function of inter-agency coordination identified in the ACABQ report was redeployed, together with the related resources from the Fund-raising Unit, to the External Relations Unit.

14. *Financial rules for the Fund of UNDCP.* In paragraph 23 of document E/CN.7/1997/16, ACABQ noted that UNDCP intended to resubmit the draft financial rules following the approval of the new budget model by the Commission on Narcotic Drugs at its reconvened fortieth session in December 1997. The Committee noted that resubmission would thus occur at the forty-first session of the Commission, after review by ACABQ.

15. *Response.* The report of the Executive Director of UNDCP on the revised draft financial rules was submitted to the ACABQ. The result of the review is contained in a letter of the Chairman of ACABQ addressed to the Secretary-General, dated 19 February 1998, which was made available to the Commission at its forty-first session. On 13 March 1998, the Commission on Narcotic Drugs took note with approval of the intention of the Secretary-General to promulgate the financial rules, which were duly promulgated in October 1998, with effect from 1 January 1999.

16. *Arrangements for external audit.* In paragraph 24 of document E/CN.7/1997/16, ACABQ requested the Executive Director to provide information, in the context of his next submission, on the arrangements concerning the external audit.

17. *Response.* External audit services are provided to the Fund of UNDCP by the Panel of External Auditors in New York. The external auditors express an opinion on the financial statements of the Fund and report on the management of the Fund. The audited financial statements of the Fund contain the audit opinion and a report on all issues raised by the Panel of External Auditors. The audited financial statements of the Fund, containing the report of the external auditors, is submitted to the Fifth Committee of the General Assembly and the States Members of the Commission. The services of the Board of Auditors are covered under the regular budget of the United Nations, with no charge to the Fund of UNDCP.

D. Other recommendations implemented in the last budget exercise

18. Whereas the issues addressed above are dealt with in the present report, other relevant recommendations and guidance were already implemented in the last budget exercise covering the final biennial support budget for 1996-1997 and the initial biennial support budget for 1998-1999. The following main issues were dealt with:

(a) *Introduction of the harmonized budget model* (Commission resolution 6 (XL), para. 11, and E/CN.7/1997/10, paras. 33 and 40). The implementation of the recommendation to introduce the harmonized budget model applied by UNDP, UNICEF and UNFPA for the Fund of UNDCP was reviewed by ACABQ (E/CN.7/1997/16, para. 2) and the new budget format was approved by the Commission in the context of its budget resolutions 7 (XL) and 8 (XL);

(b) *Review of the programme support charges for national execution* (E/CN.7/1997/10, para. 37). The support charges as presented in annex III of document E/CN.7/1997/14 were reviewed by ACABQ (E/CN.7/1997/16, paras. 20-22). The report of ACABQ was approved by the Commission in the context of its budget resolution 7 (XL);

(c) *Approval of the biennial programme budget* (E/CN.7/1997/10, para. 40). The proposal for the Commission to approve the programme budget was reviewed by ACABQ (E/CN.7/1997/16, para. 12) and put into practice through the approval of the biennial programme budget by the resolution 8 (XL) of the Commission. This arrangement is also reflected in the financial rules for the Fund of UNDCP;

(d) *Regularization of post classification* (Commission resolution 6 (XL), para. 15, and E/CN.7/1997/10, para. 21). Regularization between support and programme

posts had been proposed in the context of the last budget exercise, reviewed by ACABQ (E/CN.7/1997/16, para. 16) and approved by the Commission in the context of its budget resolution 7 (XL);

(e) *Decentralization* (E/CN.7/1997/10, para. 28, and E/CN.7/1995/22, paras. 11, 15 and 25). The proposed decentralization of resources and responsibility from headquarters for the field operations were reviewed by ACABQ (E/CN.7/1997/16, para. 17) and approved by the Commission in the context of its budget resolution 7 (XL). Additional steps in decentralizing are outlined in the currently proposed budget;

(f) *Streamlining of budget presentation* (E/CN.7/1995/22, para. 3). As part of introducing the harmonized budget model, considerable streamlining of the budget presentation was proposed and reviewed by ACABQ (E/CN.7/1997/16, para. 3). By its resolution 7 (XL), the Commission adopted the budget proporsal and approved the new budget format;

(g) *Introduction of performance report* (E/CN.7/1995/22, para. 3). The final biennial support budget and biennial programme budget for 1996-1997 presented an improved performance report, including quantitative and focused descriptions with references to major achievements and problems encountered. The new performance report was reviewed by ACABQ (E/CN.7/1997/16, para. 10) and noted by the Commission in the context of adopting its budget resolution 7 (XL);

(h) *Location of country offices* (E/CN.7/1995/22, para. 15). The rationale for adjusting the country office network was outlined in the budget document (E/CN.7/1997/14, annex III, para. 31) and reviewed by ACABQ and the Commission in the context of adopting its budget resolution 7 (XL);

(i) *Linkage between programme and mandates* (E/CN.7/1995/22, para. 25). A new presentation provided for a clear linkage between programme and mandates, on the basis of a three-pronged approach: adjusting the link between medium-term plan and budgetary presentation; a tabular presentation in the biennial programme budget linking new mandates to specific budget proposals; and indicating legislative mandates by project in the project compendium. The new presentation was summarized in the budget document (E/CN.7/1997/14, annex III, para. 33) and reviewed by ACABQ and the Commission in the context of adopting its budget resolutions 7 (XL) and 8 (XL).

Annex III

Organization of the United Nations International Drug Control Programme

1. UNDCP was established pursuant to General Assembly resolution 45/179 as the single body responsible for concerted international action for drug-abuse control and:

(a) Serves as the central drug control entity with exclusive responsibility for coordinating and providing effective leadership for all United Nations drug control activities and as the repository of technical expertise in international drug control for the Secretariat of the United Nations as well as Member States, and, in this capacity, advises them on questions of international and national drug control;

(b) Acts on behalf of the Secretary-General in fulfilling the responsibilities assigned to it under the terms of international treaties and resolutions of the United Nations organs relating to international drug control;

(c) Provides secretariat and substantive services to the Commission on Narcotic Drugs and its subsidiary bodies, with due consideration to treaty arrangements, as well as to the International Narcotics Control Board;

(d) Ddevelops and carries out drug control operational activities through a network of field offices; assists Governments in the development and implementation of programmes aimed at reducing illicit cultivation, production, manufacture, traffic and abuse of narcotic drugs and psychotropic substances and in improving the effectiveness of measures for controlling the licit supply of drugs and precursor chemicals.

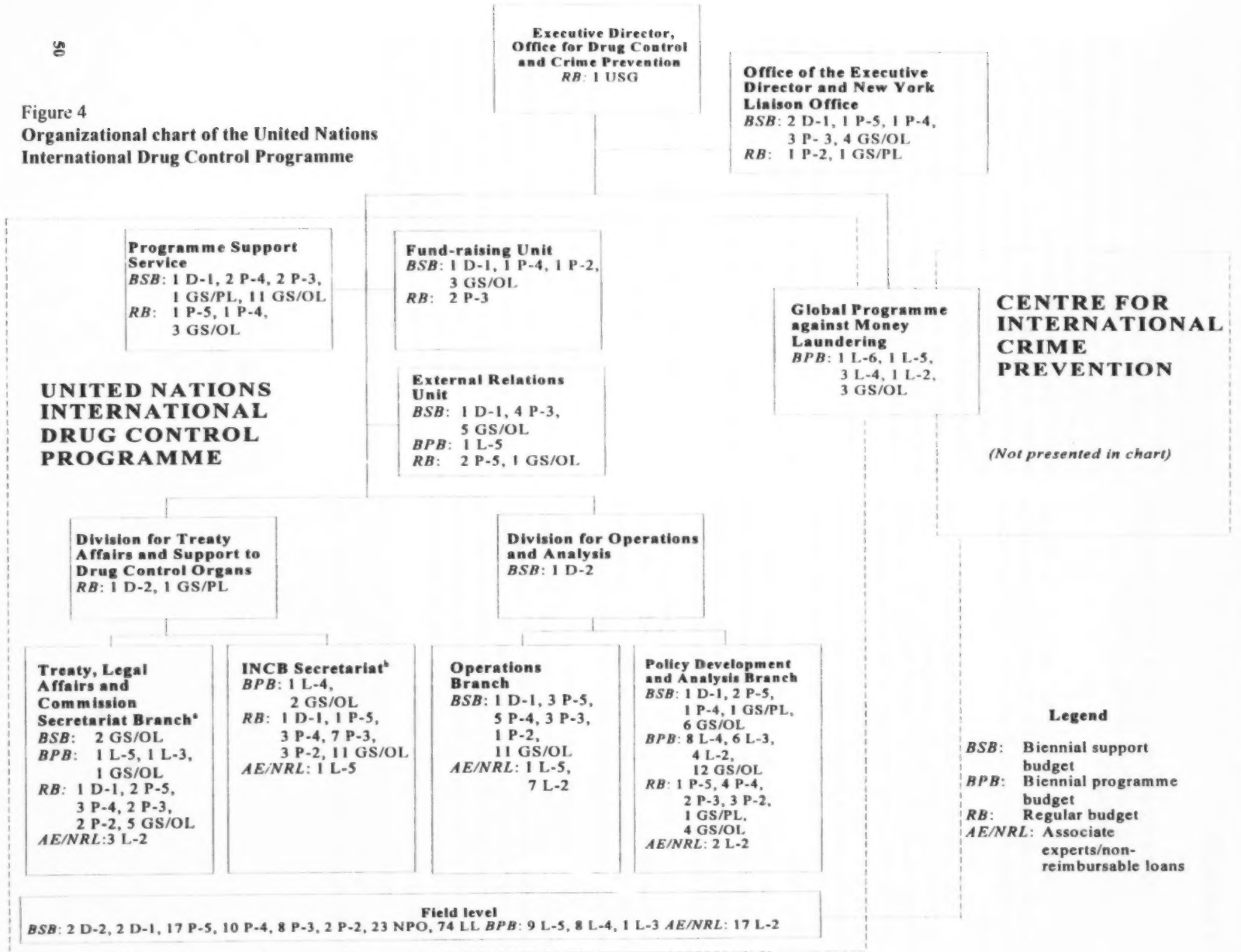
2. UNDCP is funded from the regular budget of the United Nations as well as from extrabudgetary resources, comprising the biennial support budget and the programme budget of the Fund of UNDCP. The regular budget of UNDCP essentially covers activities related to treaty implementation and legal affairs at UNDCP headquarters; it is submitted by the Secretary-General, reviewed by ACABQ and approved by the General Assembly. The biennial support budget and the programme budget of the Fund of UNDCP are financed from voluntary contributions and geared towards assisting developing countries in meeting their obligations in implementing provisions of the international drug control treaties. Such assistance is provided through UNDCP headquarters, the network of UNDCP country offices and programmes in drug control. The budgets are submitted by the Executive Director, reviewed by ACABQ and approved by the Commission. Approximately 10 per cent of UNDCP resources is made available from the regular budget and 90 per cent from voluntary contributions.

3. An organizational chart of UNDCP is provided in figure IV. The organizational entities of UNDCP are described below, with reference to their main funding source and on the bases of Secretary-General's bulletin ST/SGB/1998/17 of 30 October 1998.

A. Executive Director and Office of the Executive Director

4. The Executive Director of UNDCP is responsible for the management of the Programme. The Executive Director of UNDCP also serves as the Executive Director of the Office for Drug Control and Crime Prevention and Director-General of the United Nations Office at Vienna. The Executive Director is supported by an integrated office established for the Office for Drug Control and Crime Prevention and the United Nations Office at Vienna in discharging executive and management functions. The Office of the Executive Director is funded from regular budget and extrabudgetary resources.

Figure 4
Organizational chart of the United Nations International Drug Control Programme


Executive Director, Office for Drug Control and Crime Prevention
RB: 1 USG
Office of the Executive Director and New York Liaison Office
BSB: 2 D-1, 1 P-5, 1 P-4, 3 P- 3, 4 GS/OL
RB: 1 P-2, 1 GS/PL
Programme Support Service
BSB: 1 D-1, 2 P-4, 2 P-3, 1 GS/PL, 11 GS/OL
RB: 1 P-5, 1 P-4, 3 GS/OL
Fund-raising Unit
BSB: 1 D-1, 1 P-4, 1 P-2, 3 GS/OL
RB: 2 P-3
Global Programme against Money Laundering
BPB: 1 L-6, 1 L-5, 3 L-4, 1 L-2, 3 GS/OL
CENTRE FOR INTERNATIONAL CRIME PREVENTION
(Not presented in chart)
UNITED NATIONS INTERNATIONAL DRUG CONTROL PROGRAMME
External Relations Unit
BSB: 1 D-1, 4 P-3, 5 GS/OL
BPB: 1 L-5
RB: 2 P-5, 1 GS/OL
Division for Treaty Affairs and Support to Drug Control Organs
RB: 1 D-2, 1 GS/PL
Division for Operations and Analysis
BSB: 1 D-2
Treaty, Legal Affairs and Commission Secretariat Branch[a]
BSB: 2 GS/OL
BPB: 1 L-5, 1 L-3, 1 GS/OL
RB: 1 D-1, 2 P-5, 3 P-4, 2 P-3, 2 P-2, 5 GS/OL
AE/NRL:3 L-2
INCB Secretariat[b]
BPB: 1 L-4, 2 GS/OL
RB: 1 D-1, 1 P-5, 3 P-4, 7 P-3, 3 P-2, 11 GS/OL
AE/NRL: 1 L-5
Operations Branch
BSB: 1 D-1, 3 P-5, 5 P-4, 3 P-3, 1 P-2, 11 GS/OL
AE/NRL: 1 L-5, 7 L-2
Policy Development and Analysis Branch
BSB: 1 D-1, 2 P-5, 1 P-4, 1 GS/PL, 6 GS/OL
BPB: 8 L-4, 6 L-3, 4 L-2, 12 GS/OL
RB: 1 P-5, 4 P-4, 2 P-3, 3 P-2, 1 GS/PL, 4 GS/OL
AE/NRL: 2 L-2
Field level
BSB: 2 D-2, 2 D-1, 17 P-5, 10 P-4, 8 P-3, 2 P-2, 23 NPO, 74 LL BPB: 9 L-5, 8 L-4, 1 L-3 AE/NRL: 17 L-2
Legend
BSB: Biennial support budget
BPB: Biennial programme budget
RB: Regular budget
AE/NRL: Associate experts/non-reimbursable loans

[a] Including the Legal Advisory Programme.
[b] On substantive matters, the secretary of INCB is responsible to the Board.

B. Programme Support Service

5. The Programme Support Service manages the financial resources of UNDCP. This includes in particular the maintenance of the budget and performance reporting system of UNDCP, the preparation of the financial statements of the Fund of UNDCP and the planning of personnel action for UNDCP. The service is mainly funded from extrabudgetary resources.

C. External Relations Unit and Fund-raising Unit

6. The functions of the External Relations Unit and the Fund-raising Unit include the promotion of the image of UNDCP and the coordination of UNDCP communication and public affairs activities. Other functions include developing inter-agency coordination and cooperation with other international organizations, the private sector and non-governmental organizations. Mobilization of resources, particularly for technical cooperation activities, is the responsibility of the Fund-raising Unit. The two units are mainly funded from extrabudgetary resources.

D. Division for Treaty Affairs and Support to Drug Control Organs

7. The Division includes the Treaty, Legal Affairs and Commission Secretariat Branch and the secretariat of the International Narcotics Control Board. The Division fulfils responsibilities under the international drug control conventions and instruments as well as relevant intergovernmental resolutions; monitors the implementation of relevant treaty provisions, intergovernmental resolutions and decisions; and promotes adherence to the international drug control treaties and their effective implementation by States. The Division also provides secretariat and substantive services to the Commission and the Board and provides advice on questions of drug control and support to the treaty-based functions of UNDCP. The Division is mainly funded from regular budget resources.

E. Division for Operations and Analysis

8. The Division includes the Operations Branch and the Policy Development and Analysis Branch. The Division coordinates all the operational activities of UNDCP both at headquarters and in the UNDCP field offices, and assists Governments in the development and implementation of drug control programmes. The Division also monitors and analyses global drug trends, serves as a repository of technical and scientific expertise in drug control, promotes international norms for the exchange of drug-related information, and facilitates the exchange of information among Member States, United Nations agencies and other international organizations. The Division is mainly funded from extrabudgetary resources.

Annex IV

Glossary

Agency support costs. Expenses incurred by an executing agency as a result of its administration of project activities financed from the Fund.

Appropriation line. A subdivision of the appropriation for which a specific amount is shown in the appropriation decision and within which the Executive Director of UNDCP is authorized to make transfers without prior approval.

Associated organization. An entity designated by the Executive Director to participate, in association with an executing organization, in the implementation of projects.

Biennial support budget. Budget covering programme support and management and administration.

Cost changes. Any increase or decrease in the cost of a resource input arising from changes in costs, prices and exchange rates.

Executing organization. An entity designated by the Executive Director to implement a project. The executing organization is responsible for the overall management of the project and is responsible and accountable for the delivery of outputs, achievement of project objectives and the use of UNDCP resources.

Final budget. Budget estimates following the second and final revision of the initially approved biennial budget during the end of the second year of the biennium.

General-purpose funds. Funds accepted by the Executive Director for purposes consistent with those of UNDCP, without limitation as to the use for a specific purpose.

Initial budget. Budget estimates approved by the Commission on Narcotic Drugs prior to the start of the biennium.

National execution. The arrangement whereby an entity located in the recipient country is entrusted with the responsibility for executing UNDCP-assisted projects.

Programme budget. Direct inputs needed to achieve the objectives of a specific project or programme for international cooperation in drug control. This may typically include experts, support personnel, supplies and equipment, subcontracts and individual or group training.

Programme support. The development, formulation, delivery and evaluation of the programmes of an organization. This will typically include units that provide backstopping of programmes on either a technical, thematic, geographic, logistical or administrative basis.

Programme support budget. Part of the biennial support budget, covering technical and administrative activities where a demonstrable relationship exists between the supporting activity and the implementation of project activities.

Programme support funds. Funds derived according to the programme support arrangement from the execution of projects for the exclusive funding of programme support activities.

Reserve. An amount to guarantee the financial liquidity and integrity of the general-purpose, programme support and special-purpose funds, to compensate for uneven cash flows and meet other such similar requirements as may be decided by the Commission.

Revised budget. Budget estimates following the first recosting of the initially approved biennial budget at the end of the first year of the biennium.

Special-purpose funds. Funds accepted by the Executive Director for purposes specified by the donor and consistent with those of UNDCP. Special-purpose funds are either hard-earmarked, on the basis of specific project agreements between UNDCP and donor countries, or soft-earmarked, for implementation in accordance with general indications by donor countries on thematic and geographic priorities.

Volume changes. Real increases or decreases in requirements, representing the controllable elements in the budget estimates.